

THE ARMY BUDGET

FY 00/01 President's Budget



**Assistant Secretary of the Army for
Financial Management and Comptroller
February 1999**

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The Army Budget

Preface

The Army Budget "Green Book" is prepared by the Army Budget Office, Office of the Assistant Secretary of the Army for Financial Management & Comptroller, Headquarters, Department of the Army, Washington, D.C. 20310-0109, commercial telephone number (703) 697-6241, DSN 227-6241. Its purpose is to provide the Army leadership, OSD and members of Congress and their staffs a reference to the Army's FY2000/2001 biennial Budget Request (President's Budget) as submitted to Congress on February 1, 1999. It is not intended to be used as a substitute for the official budget submission. The following clarification of information in the "Green Book" is provided:

- The FY 1998 information reflects actuals and represents the FY 1998 column of the FY 2000 President's Budget.
- The FY 1999 information represents the FY 1999 column of the FY 2000 President's Budget.
- The FY 2000/2001 information represents the Army's request to Congress for the biennial budget years.
- All dollar figures represent Total Obligation Authority (TOA) in current Dollars unless stated otherwise on individual charts.
- Number totals on some charts may not add due to rounding.
- Questions concerning the source or interpretation of the information in this booklet may be directed to the Budget Formulation Division, Army Budget Office (SAFM-BUC-F), at Commercial (703) 697-6241 or DSN 227-6241.

The Army Green Book is available electronically by e-mail and on our World Wide Web homepage at
<http://www.asafm.army.mil/budget/0001PB/armybudget0001.htm>
and **<http://www.asafm.army.mil/pubs/pubs.htm>**
Tabs: B, F (FY00/01 Budget Materials), and G
PAPER COPIES OF THE ARMY GREEN BOOK ARE
NO LONGER AVAILABLE THROUGH DISTRIBUTION.

FY 2000/2001...

The FY 00/01 biennial budget reflects a budget consistent with the priorities of the Defense Planning Guidance (DPG), constrained only by affordability considerations.

Readiness and Sustainability. Readiness and sustainability remains the Army's first priority. Total Army OPTEMPTO and pay accounts were increased. Funding for the the Reserve Components was improved significantly.

Modernization. The Army continues a balanced modernization strategy. Overall funding levels were maintained to ensure future readiness.

Force Structure. Force structure and end strength were maintained in accordance with the DPG.

Infrastructure. The Army increased base operations and real property maintenance funding as part of the overall budget funding increase. The enhanced funding level will significantly reduce further growth of deferred maintenance and repair. A large portion of the FY 00 Army funding for Real Property Maintenance has been placed in the Defense-wide Quality of Life account until year of execution and therefore is not reflected as Army resources in this budget.

The FY00-FY01 President's Budget provides funding necessary to fulfill the National Security Strategy of shaping, responding, and preparing.

The Army Budget

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**AMERICA'S ARMY:
POISED FOR THE FUTURE**

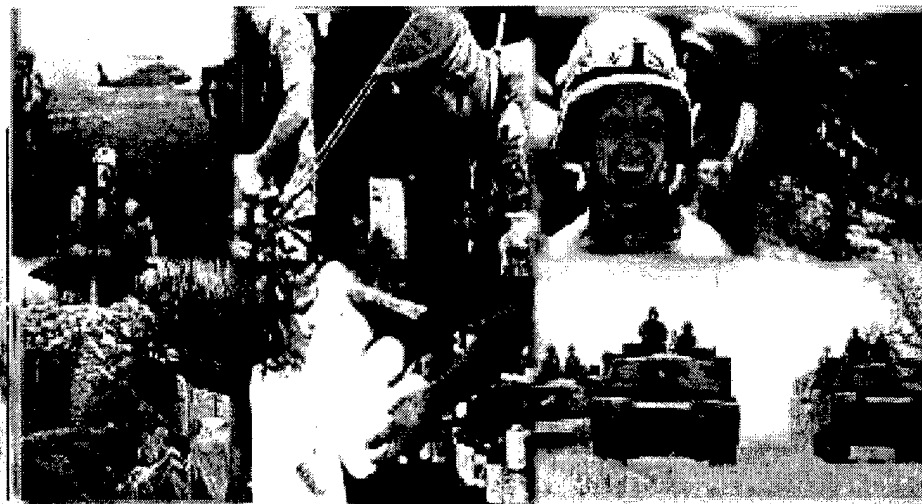
AMERICA'S ARMY:

**“... A FULL SPECTRUM FORCE, THE BEST
FIGHTING FORCE IN THE WORLD...TRAINED,
READY TO DEPLOY, FIGHT, AND WIN
WHEREVER AND WHENEVER THE NEED
ARISES...”**

**--The Honorable Louis Caldera
Secretary of the Army**

**--GEN Dennis J. Reimer
Chief of Staff, U.S. Army**

1	America's Army:	Poised for the Future
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AMERICA'S ARMY:

**...A VALUES-BASED FORCE, WHOSE
CREDENTIALS ARE THE ARMY CORE
VALUES:**

LOYALTY,

DUTY,

RESPECT,

SELFLESS SERVICE

HONOR, INTEGRITY and

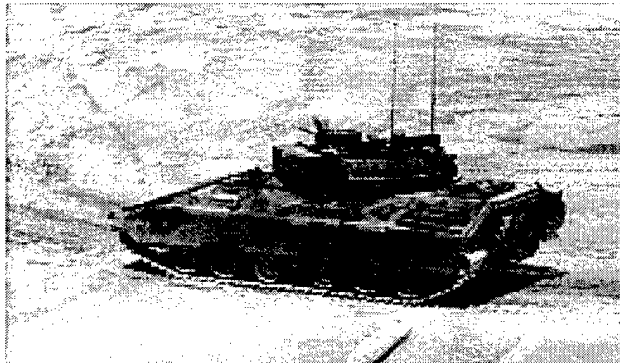
PERSONAL COURAGE



POISED FOR THE FUTURE

AMERICA'S ARMY:

Today's Battlefield can be anywhere and shifts constantly, 54 percent of the Total Army is in the U.S. Army Reserve and the Army National Guard.



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The Total Army Team

Over the past year, our Total Army Team of Active, Army Reserve, Army National Guard and Civilians has served dutifully and courageously in more than 100 countries.

**--The Honorable Louis Caldera
Secretary of the Army**

**--GEN Dennis J. Reimer
Chief of Staff, U.S. Army**



POISED FOR THE FUTURE

FY 00 ARMY RESOURCE LEVELS

“...financed the acceleration of privatization of family housing and community support facilities in CONUS under the Residential Community Initiative.”



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“...increased resources for improving family housing overseas and upgrading Army barracks worldwide.”



“...sustains our recent efforts in achieving greater equity in resourcing between components while sustaining investment funding and attaining projected efficiencies.”

**--The Honorable Louis Caldera
Secretary of the Army**

The FY 00 Budget provides for:

- Increased Commitment to Combat Readiness/ Modernization
- Active Army End Strength of 480K
- Army National Guard End Strength of 350K
- Army Reserve End Strength of 205K
- Military Pay Raise of 4.4%
- Civilian Pay Raise of 4.4%
- OMA OPTEMPO (800 miles) and the Flying Hour Program (14.5 hours)
- Dormitory Modernization/Improved Family Housing
- Privatization of Family Housing
- Commitment to Support Existing Facilities



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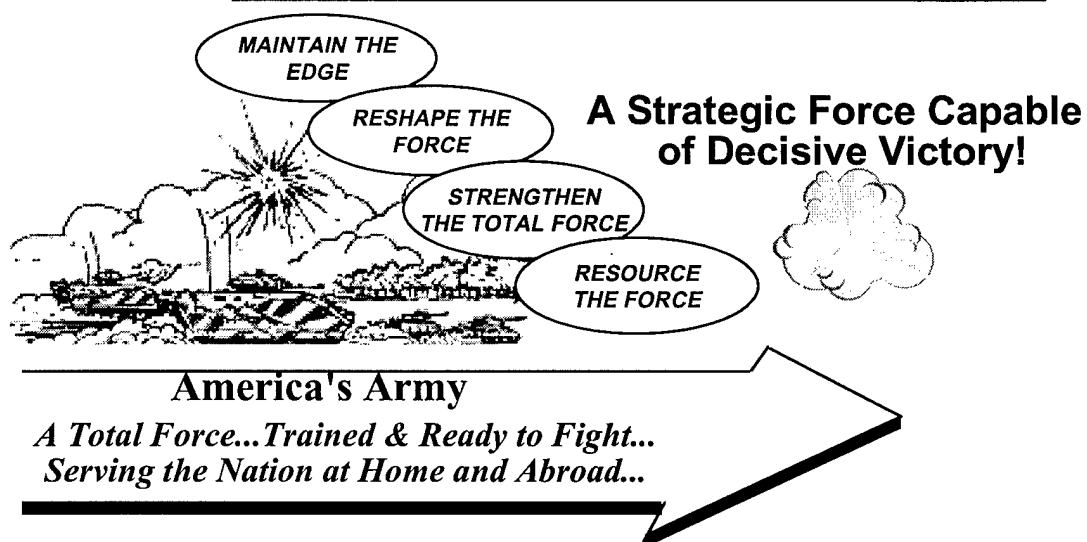
Power Projection page 9

The Total Army page 11

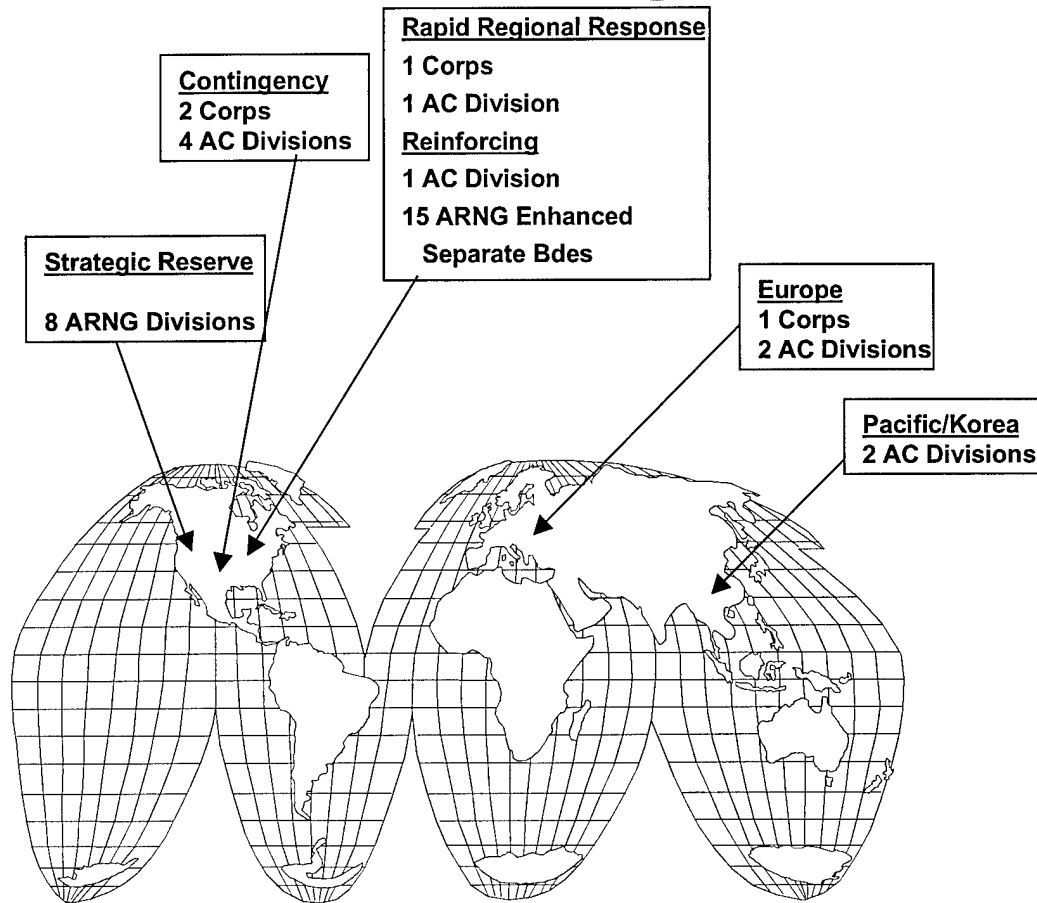
Active Component page 12

Civilian Component page 13

Reserve Component page 14



18 Division Stationing in FY 00



4 CORPS - 18 DIVISIONS

America's Active Army has changed!!!



From a *Forward-Deployed Army*...

Combat Force Structure

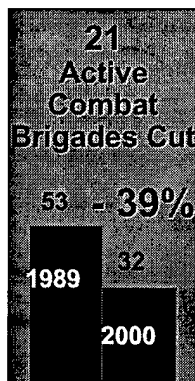
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**To a *Power Projection Army* based in the U.S.
... and ready to deploy anywhere needed!**

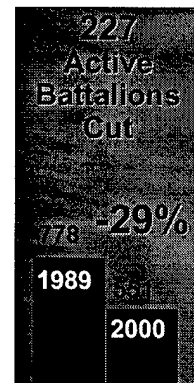
From 18 Active Army Combat Divisions in 1989:

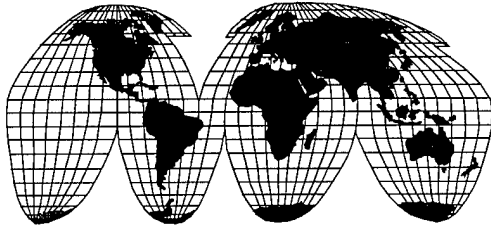
1st ID (M)	7th ID (L)	82d ABN
2nd ID (M)	8th ID (M)	101st ABN (AA)
3rd ID (M)	9th ID (Mtr)	1st AD
4th ID (M)	10th MTN (L)	2nd AD
5th ID (M)	24th ID (M)	3rd AD
6th ID (L)	25th ID (L)	1st CAV

To the Current 10 Active Army Combat Divisions:



1st ID (M)	25th ID (L)
2nd ID (M)	82d ABN
3rd ID (M)	101st ABN (AA)
4th ID (M)	1st AD
10th MTN (L)	1st CAV





The Army Power Projection Capability for the Future

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Power Projection

- A force with a full range of capabilities, able to deploy rapidly by land, air or sea.
- Modernized Army installations that enhance mobilization and deployment.
- State-of-the-art, integrated information management to plan and monitor power projection.
- Globally pre-positioned equipment and responsive war reserve support.
- Army power projection objectives:
 - *Provide a tailorable Corps of up to five Divisions with forcible entry capability.*
 - *Lead Brigade on the ground by C+4.*
 - *Lead Division on the ground by C+12.*
 - *Two armored/mechanized Divisions from CONUS by C+30.*
 - *A Corps and COSCOM by C+75.*
 - *Sufficient supplies (pre-positioned afloat) properly sequenced to arrive and sustain the force until establishment of lines of communication.*

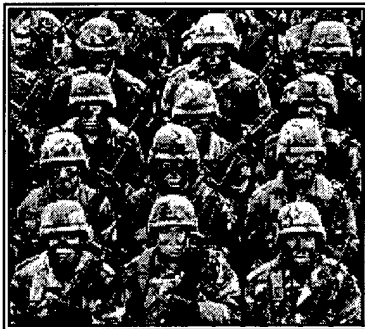
Summary of Combat Force Structure Changes

UNITS	FY99*	DELTA	FY00
AC CORPS			
<u>4</u>	<u>0</u>	<u>4</u>	
AC DIVISIONS			
<u>Divisions</u>	<u>10</u>	<u>0</u>	<u>10</u>
4 Mech/2 Armor	6	0	6
2 Lt/1 Abn/1 AA	4	0	4
<u>ACR**</u>	<u>2</u>	<u>0</u>	<u>2</u>
1 Armor	1	0	1
1 Lt	1	0	1
ARNG DIVISIONS			
<u>Divisions</u>	<u>8</u>	<u>0</u>	<u>8</u>
1 Mech/3Armor	4	0	4
3 Medium Infantry	3	0	3
1 Light Infantry	1	0	1
<u>Separate Bdes***</u>	<u>3</u>	<u>0</u>	<u>3</u>
1 Armor	1	0	1
1 Infantry	1	0	1
1 Scout Group	1	0	1
<u>Enhanced Bdes</u>	<u>15</u>	<u>0</u>	<u>15</u>
5 Mech/2 Ar/1 ACR	8	0	8
7 Infantry	7	0	7

- * Reflects status at year end
 ** Does not include 11th ACR
 Brigade and 3rd Infantry Regt.
 *** Plus Alaska Scout Group (+1)

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FY00
CORPS
I CORPS
III CORPS
V CORPS
XVIII ABN CORPS
AC DIVISIONS
1ST CAV
1ST ID(M)
1ST AD
2ND ID(M)
3RD ID(M)
4TH ID(M)
10TH MTN (L)
25TH ID(L)
82ND ABN
101ST ABN (AA)
RC DIVISIONS (ARNG)
28 ID(M) 29 ID(L)
34 ID 35 ID
38 ID 40 ID (M)
42 ID (M) 49 AD



Military Personnel (Strength in 000s)

	*FY98	FY99	FY00	FY01
Active Component	484	480	480	480
Officer	(78)	(78)	(78)	(78)
Enlisted	(402)	(398)	(398)	(398)
Cadet	(4)	(4)	(4)	(4)
Reserve Component	798	795	782	786
Selected Reserve	567	565	555	555
USAR	(205)	(208)	(205)	(205)
ARNG	(362)	(357)	(350)	(350)
IRR-USAR	226	225	222	226
Inactive National Guard	5	5	5	5

*FY98 is actual on board

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The Total Army

THE TOTAL ARMY FY00-FY01

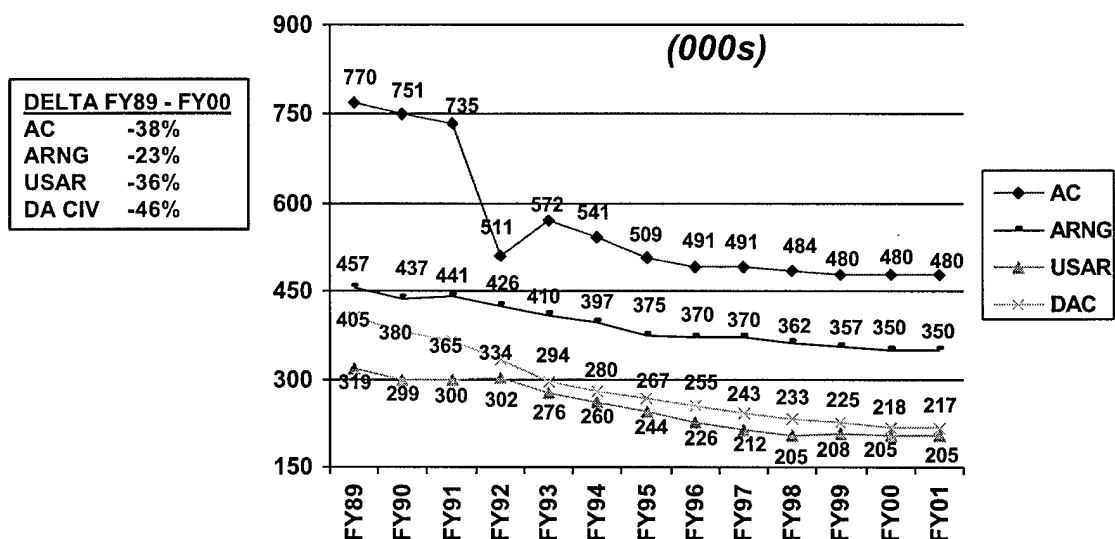
Mission of Army Forces (with other U.S. Services and Allied Forces):

- Deter aggression or coercion against the U.S., its allies, and national interests abroad
- If deterrence fails, fight and win across the spectrum of conflict anywhere
- Provide a full range of options to promote international stability
- Support domestic civil authority

To accomplish these missions, the Total Army consists of the following Components:

- **Active Component** *Forms the nucleus of the initial forces for combat*
- **Reserve Component** *Reinforces/ augments active forces, individual replacements*
- **Civilian Component** *Provides critical support and sustainment*

Personnel Strength FY89-FY01



**“NOW, AS IN THE PAST, OUR SOLDIERS
TRULY ARE OUR NATION’S CREDENTIALS.”**

**-- General Dennis J. Reimer
Chief of Staff, U.S. Army**

The Total Army

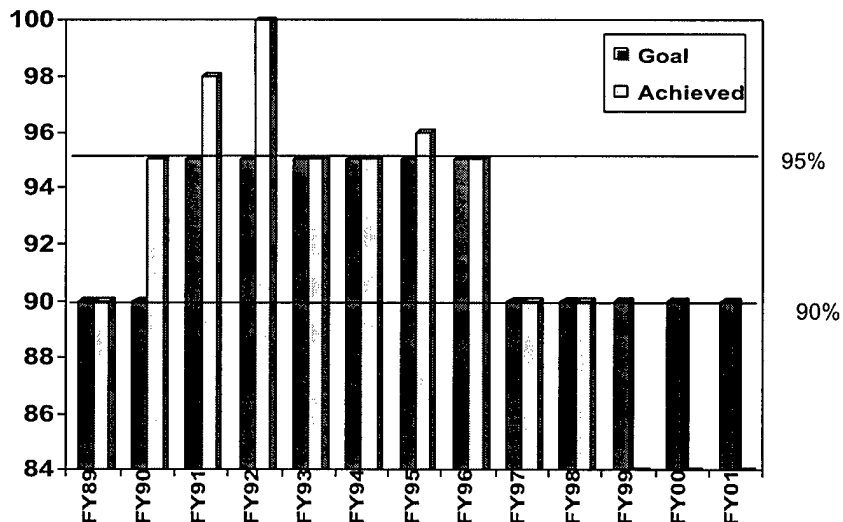
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Training & Recruiting

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Accession Mission	74,033	73,383	83,641
Number of Students:			
Recruit Training	69,872	81,273	85,525
One Station Unit Training	33,778	35,744	37,182
Specialized Skill	182,082	211,897	209,614
Officer Acquisition*	2,058	1,808	1,820

*Includes USMA Prep School and OCS

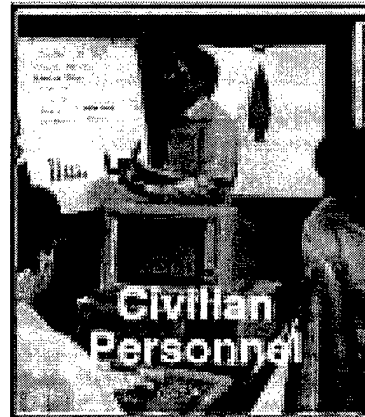
Percent High School Diploma Graduate (HSDG)



- FY91-96 HSDG Goal = 95%
- FY89-98 Based on Actual Accessions
- FY97-01 HSDG Goal = 90%
- FY99-01 Based on President's Budget

**“A quality civilian force that
embodies the best of this
great nation.”**

-- General Dennis J. Reimer,
Chief of Staff, U.S. Army



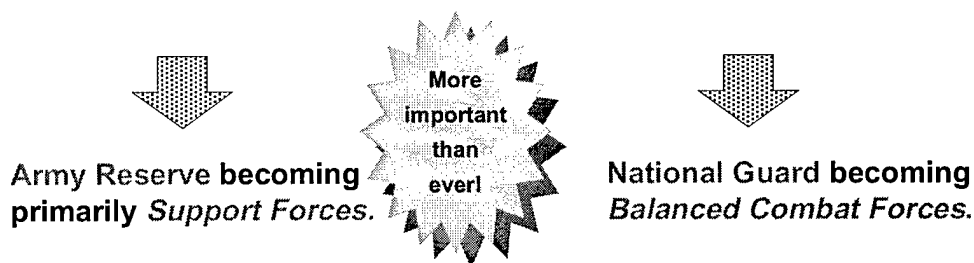
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Civilian Component

Civilian Manpower (000s) End Strength

	FY98	FY99	FY00	FY01
OMA	127	120	120	120
OMAR	11	11	10	10
OMNG	24	25	24	24
RDTE	22	21	17	16
MCA	5	6	6	6
Family Housing	1	1	1	1
DWCF	<u>24</u>	<u>23</u>	<u>22</u>	<u>22</u>
Total Direct Hire	214	207	200	199
OMA	18	17	17	17
Other	1	1	1	1
Total Indirect Hire	<u>19</u>	<u>18</u>	<u>18</u>	<u>18</u>
*Total Civilians	233	225	218	217

America's Community Based Army...



Reserve Components

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The roles of Army Reserve and National Guard are changing to leverage their core competencies.

- > Reshaping to meet Total Army requirements.
- > Essential for Army's short-notice operations.
- > Fully integrated into the Army's warplans.
- > Relevant in Army's day-to-day missions.

At the same time, the Army Reserve downsized 36% and the National Guard 23% from FY89-01

From:

To:

1989 Army Reserve

29 Command & Control
HQ/Training Divisions
319K End Strength

1989 National Guard

10 Divisions/23 Bde Equivalents
457K End Strength

2001 Army Reserve

10 CONUS Regional Support Cmds
2 OCONUS Regional Support Cmds
1 OCONUS ARCOM
7 Training Divisions
205K End Strength

2001 National Guard

8 Divisions, 15 Enhanced Bdes
3 Theater Defense Bdes
350K End Strength

Increased Army Reserve and National Guard readiness requirements are receiving more active Army training support.

Army Reserve and National Guard soldiers are an integral part of America's Army... demonstrating their commitment and capabilities every day at home and abroad.

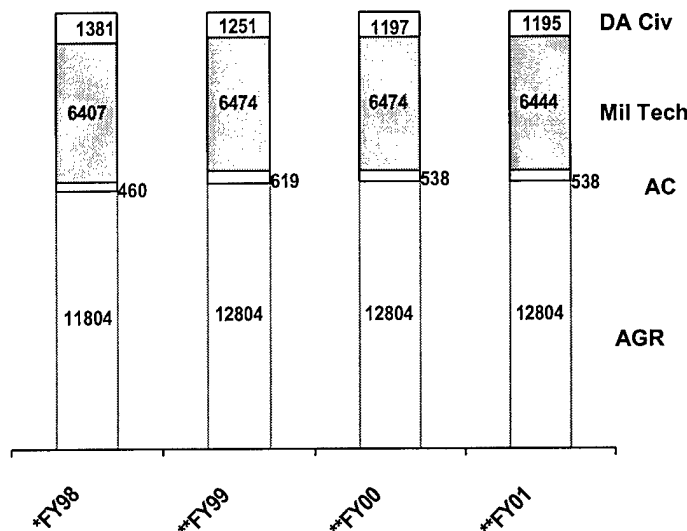


United States Army Reserve (USAR)

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Reserve Components

Army Reserve Full Time Support (Strength)

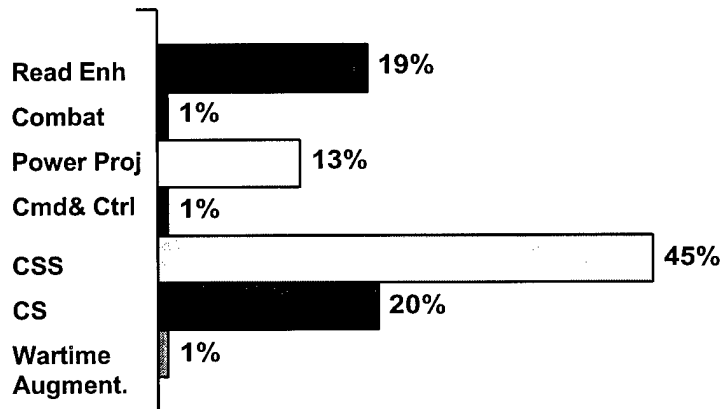


Notes:

- Full-time support includes all categories as defined in DODD 1206.18.
- USAR AC includes only those assigned to units, OCAR, and USARC.
- USAR MILTECH includes those assigned to SOCOM.
- USAR DA Civ excludes CONUSA HQ positions.

*FY98 is actual strength
**FY99-01 is authorized strength

FY 00 Force Structure: % of USAR Force (Authorizations):





United States Army Reserve (USAR)

Reserve Components

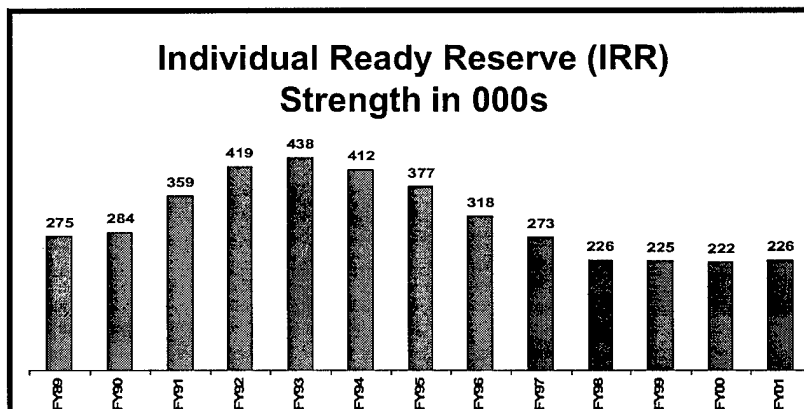
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HIGHLIGHTS

	<u>FY98</u>	<u>**FY99</u>	<u>**FY00</u>	<u>**FY01</u>
MANNING--ES				
Military ES	*205,000	**208,000	**205,000	**205,000
Paid Drill Strength	185,152	188,968	189,232	189,303
Full-Time Support				
AGR	11,804	12,804	12,804	12,804
Mil Techs	6,407	6,474	6,474	6,444
DA Civilians	1,381	1,251	1,197	1,195
Active Component	602	619	538	538
IMA	8,012	6,228	2,964	2,893
IRR	226,479	224,882	222,182	226,382
TRAINING (\$M)				
School & Special Training	137	195	186	208
Units/Cells	1,804	2,000	2,000	2,000
Soldiers	12,752	13,000	14,220	14,220
EQUIPPING (\$M)				
Org Cloth & Ind Equip (OCIE)	5	15	16	16
OCIE Backlog	287	294	308	319
FACILITIES (\$M)				
Funded Maint & Repair	93	62	78	121
Leases	20	16	13	13

*FY98 manning is actual on board strength

**FY99-01 manning is authorized strength

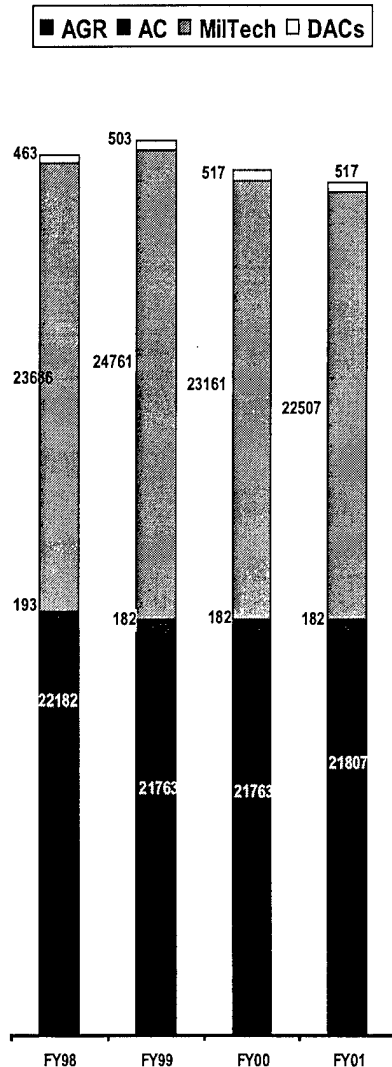




Army National Guard (ARNG)

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Reserve Components



HIGHLIGHTS

COMBAT FORCE STRUCTURE

	FY98	FY99	FY00	FY01
Divisions	8	8	8	8
Separate Brigades	3	3	3	3
Enhanced Brigades*	15	15	15	15
Roundout/Roundup Bdes	0	0	0	0

MANNING -ES

Military ES	362459	357000	350000	350000
Paid Drill Strength	329372	335237	328127	328127
Full Time Support				
AGR	22182	21763	21807	21807
Mil Techs	23686	24761	23161	22507
DA Civilians	463	503	517	517
Active Component	188	188	188	188
Inactive National Guard	4907	4907	4907	4907

TRAINING

School & Special (\$M)	245	266	246	266
JRTC Rotations	3	3	3	3
NTC Rotations (BN level)	4	4	4	4
Training Aids, Support & Services (\$M)	9	9	9	9

EQUIPPING (\$M)

NG & Reserve Equip	69	0	0	0
SFSI	82	78	59	65
SFSI Backlog	389	484	474	510
Receipt of Key Equip (Qty)				
BFVS	1363	1363	1363	1443
ABRAMS TANKS	2793	2793	2793	2793
AH-64	147	147	147	147
UH-60	460	480	498	507
CH-47	133	134	142	142

SUSTAINING (\$M)

Repair Parts/DLRs	227	251	218	225
Backlog	365	451	518	601

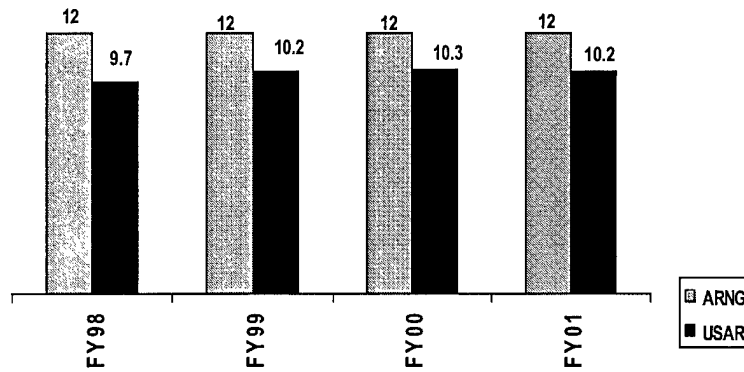
FACILITIES (\$M)

BMAR (OMNG)	398	440	515	576
MILCON (MCNG)	122	145	16	89
Real Property O&M	136	141	116	147
Constr Backlog (\$B)	2	3	4	5

*Includes 1 Armored Cav Regiment



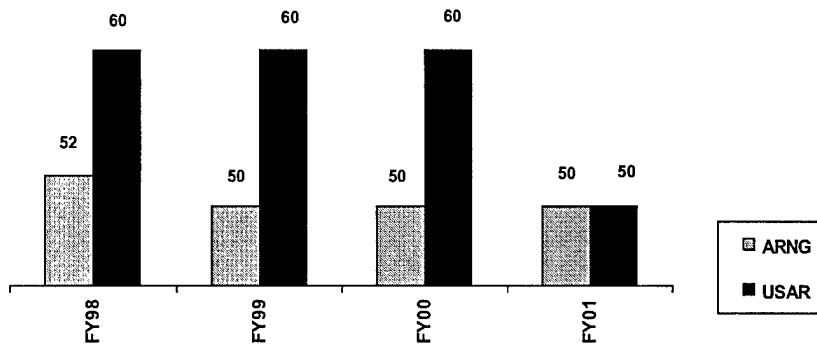
Reserve Components(RC)
Percent Full Time Support



Reserve Components

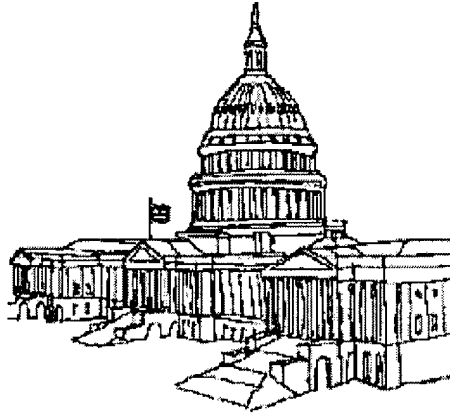
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Reserve Components
Prior-Service Enlistments (%)



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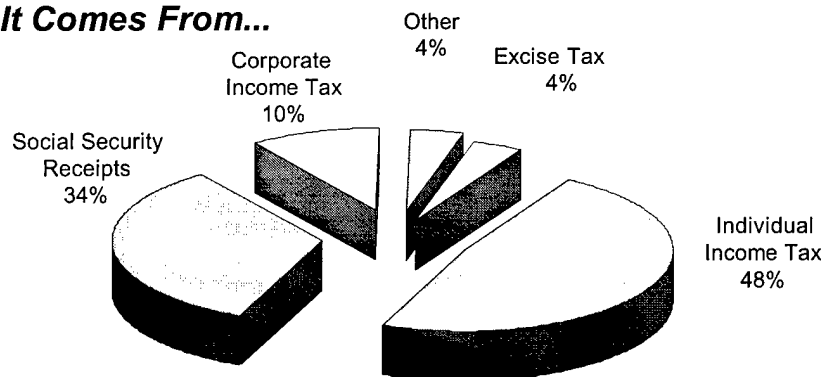
FY00 Federal Government Dollar Estimate...



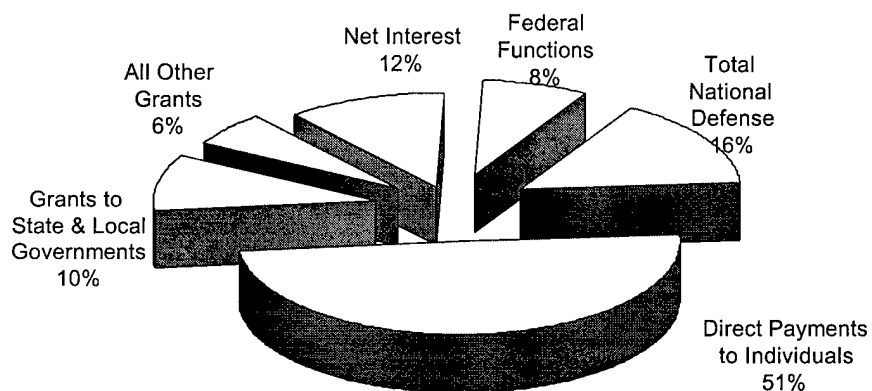
Budget Overview

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Where It Comes From...



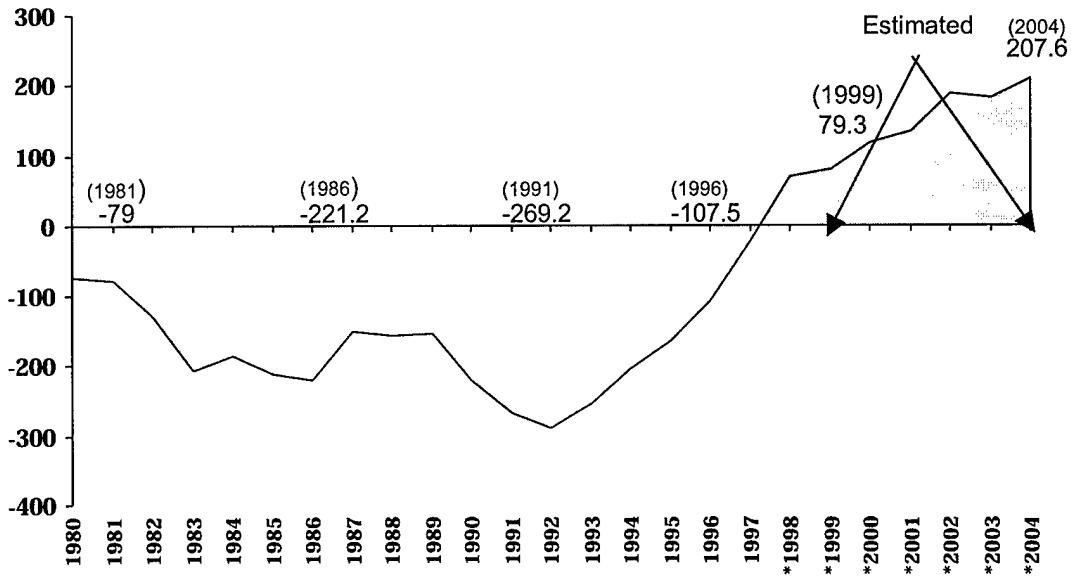
Where It Goes...



(Undistributed Receipts: -3%)

The Federal Deficit(FY80-97)/Surplus(FY98-04)*

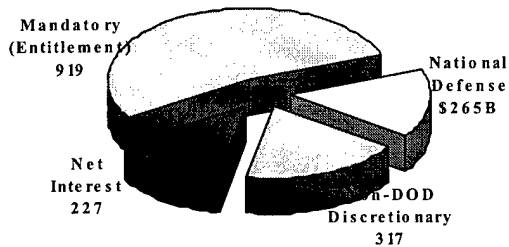
Source: OMB - FY00 President's Budget



*Reserve Pending Social Security Reform FY 98-04

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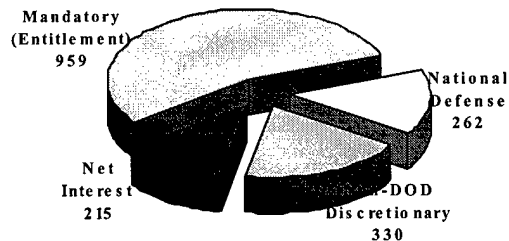
Budget Overview



Defense \$265 B** = 15%

**FY99 Outlays
\$1.73 Trillion**

***FY00 Outlays
\$1.77 Trillion**



Defense \$262 B** = 15%

*Numbers may not add due to rounding
** National Defense (Excludes Atomic Energy Defense Activities and Defense Related Activities)

FUNDING PROFILE

The FY00-01 budget seeks to position America's Army for the future by balancing today's readiness and tomorrow's modernization requirements within available resources. Readiness is the number one priority, yet modernization is critical to meeting the challenges of an uncertain future.

Readiness requires that soldiers and units be well trained. The challenge is to support and sustain tough, realistic training while adjusting to the impact of the demanding operational pace of today's Army. Another key to readiness is quality people. This budget supports recruitment and retention of quality soldiers and competent leaders for today's complex, dangerous, and ever changing missions and tomorrow's security challenges.

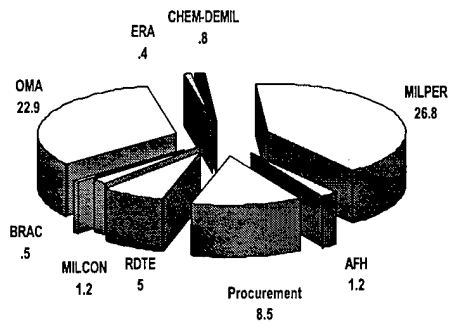
Quality of Life is a major component of readiness. Army programs should ensure that in return for the unique hardship of military life, soldiers and their families receive fair and adequate compensation and benefits, and family, morale, welfare, and recreation programs.

The FY00-FY01 budget builds on the operational concepts identified in Joint Vision 2010 and Army Vision 2010. Both visions rely on the active engagement of land forces with full spectrum dominance based on information superiority. The Army's modernization strategy focuses on achieving information dominance; maintaining combat overmatch capabilities; sustaining essential research and development and focusing science and technology on leap-ahead technologies for the Army After Next; fully integrating the Active and Reserve Components; and recapitalizing the Army. This budget funds a series of war games, workshops, and seminars to identify the leap-ahead technologies necessary to provide the Army After Next with the physical agility to complement the mental agility for Army XXI.

Current \$B**

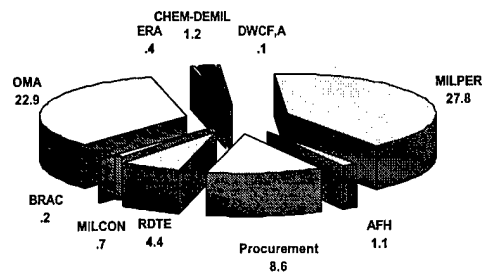
***FY99 TOA
Funding Profile**

****\$65.5**



**FY00 TOA
Funding Profile**

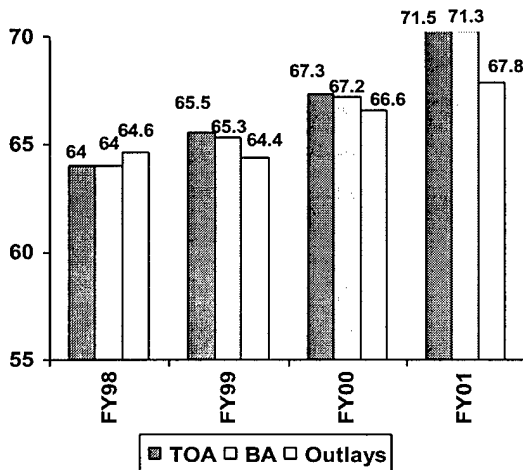
\$67.3



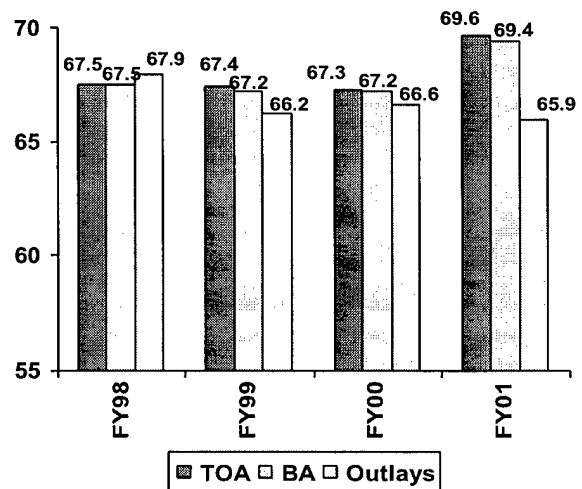
*FY99 includes 1-year funds for MCA, AFHC & MCNG
 **Excludes O&M contingency and Y2K funds
 *** Totals may not add due to rounding.

23 Funding Profile

**Comparison of Army TOA,
BA, and Outlays (Current \$)**



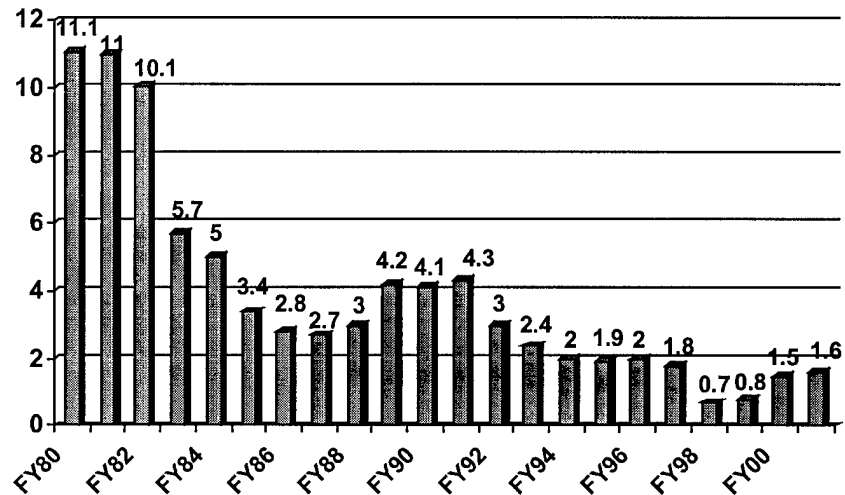
**Comparison of Army TOA,
BA, and Outlays (Constant \$)**



<u>CATEGORY</u>		<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Army Budget Pay & Inflation Rates (%)	Pay Raises (%)				
	(Military)	2.8	3.1	4.4	3.9
	(Civilian)	2.8	3.6	4.4	3.9
	Price Escalation Indices (Outlays) (%)				
	O&M Fuel	19.7	-8.8	-25.3	13.2
	Medical	3.0	3.7	3.9	3.9
	All Other Purchases	.7	.8	1.5	1.6

Non-Pay Inflation, Pay, and Exchange Rates 24

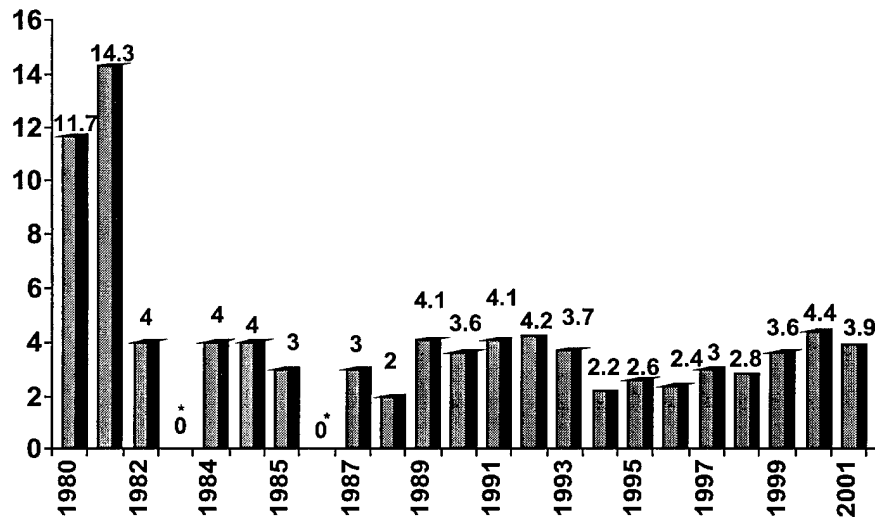
NON-PAY INFLATION



Exchange Rates for Budgeting

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
DM	1.81	1.79	1.71	1.71
YEN	121.17	130.45	123.05	123.05
WON	907.60	1,342.40	1,242.50	1,242.50

MILPAY RAISE



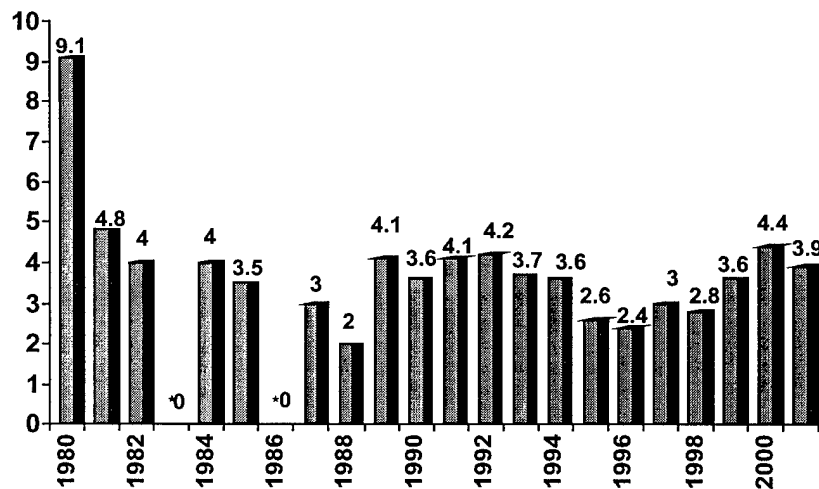
* No Pay Raises in FY83 and FY86

Two Pay Raises occurred in FY85.

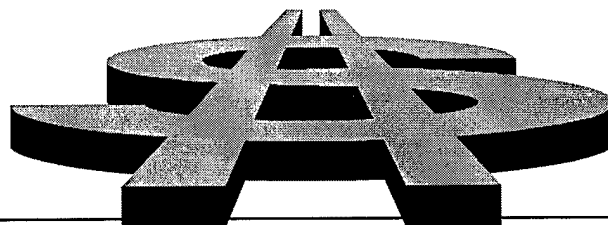
25

Pay Raises

General Schedule Pay Raises



* No Pay Raises in FY83 and FY86.



Army TOA

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Fiscal Years 1998, 1999, 2000 and 2001 Summary \$M)

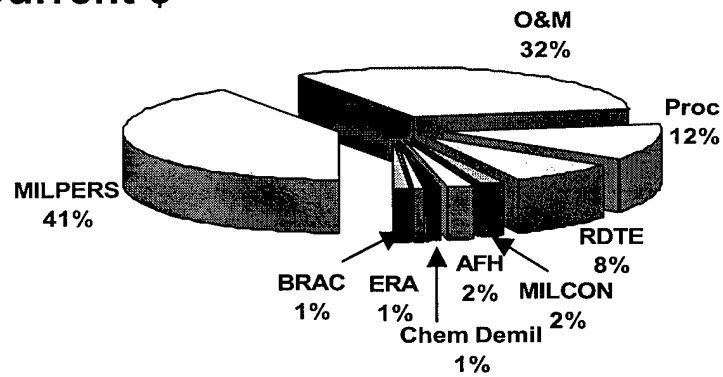
	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>Military Personnel, Army</u>	20,650	21,157	22,007	22,702
<u>Operation and Maintenance, Army</u>	19,275	17,106	18,661	19,199
<u>Procurement</u>	6,790	8,509	8,570	9,532
Aircraft	(1,285)	(1,384)	(1,230)	(1,312)
Missiles	(727)	(1,222)	(1,358)	(1,413)
WTCV	(1,252)	(1,544)	(1,417)	(1,500)
Ammunition	(998)	(1,063)	(1,141)	(1,257)
Other Procurement	(2,528)	(3,296)	(3,424)	(4,050)
<u>Research, Dev, Test & Evaluation</u>	5,023	5,033	4,426	4,751
<u>Military Construction, Army</u>	706	987	656	1,610
<u>Environmental Restoration, Army</u>	0	370	378	383
<u>Army Family Housing</u>	1,284	1,235	1,112	1,062
Operations	(1,087)	(1,096)	(1,098)	(951)
Construction	(197)	(139)	(14)	(111)
<u>Reserve Components</u>				
<u>National Guard</u>				
Personnel	3,406	3,494	3,571	3,709
Operations	2,437	2,747	2,904	3,043
Construction	122	145	16	89
<u>Army Reserve</u>				
Personnel	2,037	2,167	2,271	2,368
Operations	1,211	1,203	1,369	1,482
Construction	74	102	23	143
<u>RC Wedge, Milpers</u>				-30
<u>RC Wedge, O&M</u>				-17
<u>BRAC</u>	431	487	155	409
<u>Chemical Demilitarization*</u>	551	777	1,169	986
<u>Defense Working Capital Fund, A**</u>	0	0	62	63
Total***	64,000	65,519	67,350	71,482

* Chemical Demilitarization is an Army appropriation beginning in FY99

**DWCF,A is an Army appropriation beginning FY00

***Totals may not add due to rounding

TOA by Title FY99 Current \$

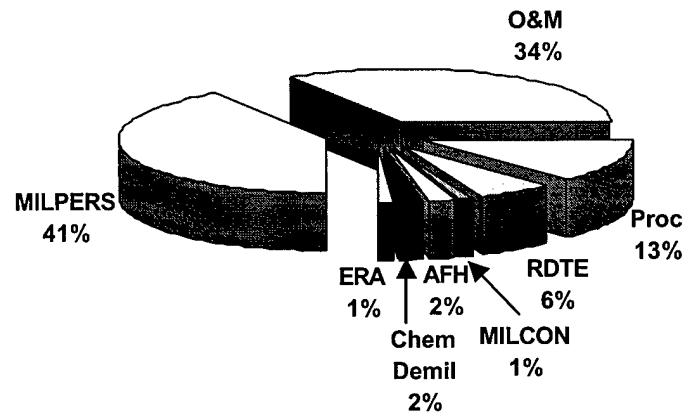


*Chem Demilitarization is an Army appropriation beginning FY99

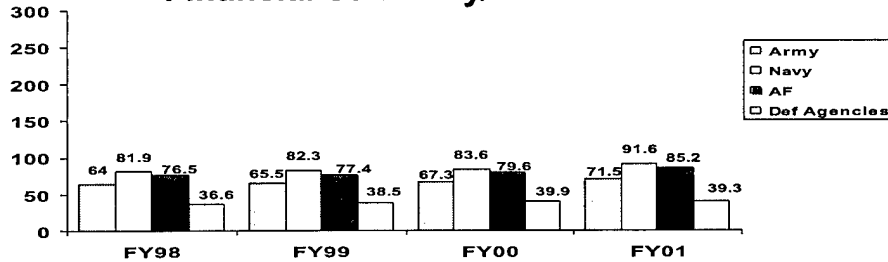
27

TOA Trends

TOA by Title FY00 Current \$



FY00/01 Defense Budget (TOA \$B Current *) Financial Summary/Service Share

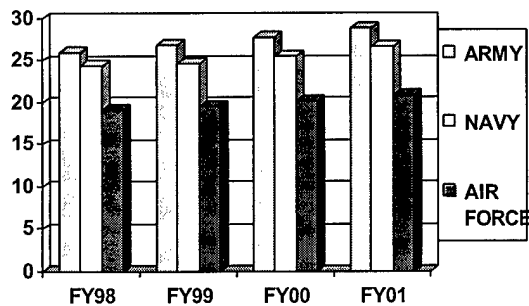


* FY99 includes 1 year funds for MCA, AFHC, & MCNG; Excludes O&M Contingency Funds and Y2K

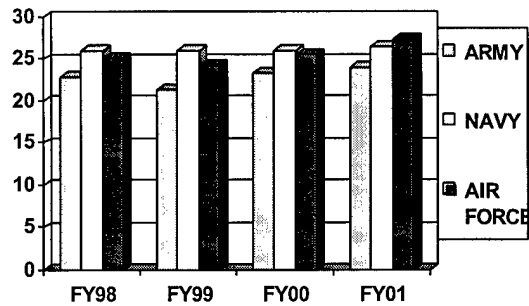
TOA Trends by Service in \$B

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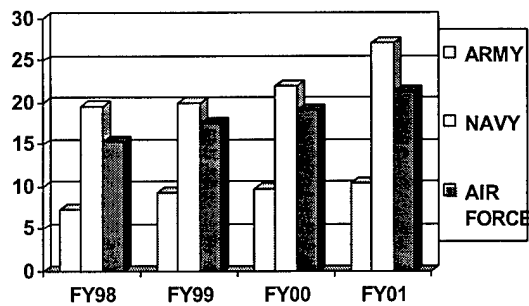
MILPERS



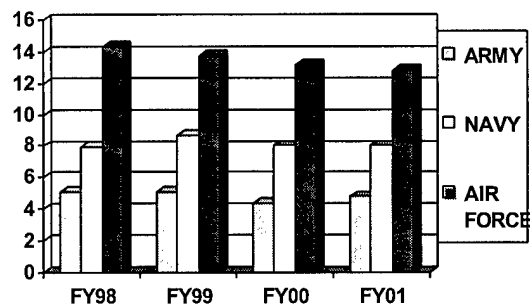
OPERATION & MAINTENANCE



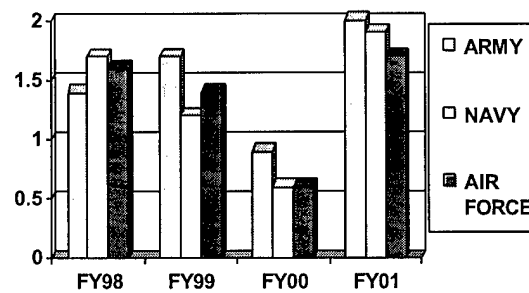
PROCUREMENT



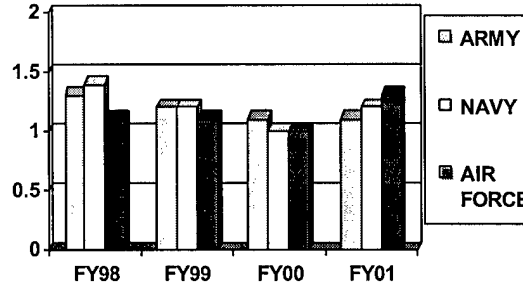
RDTE

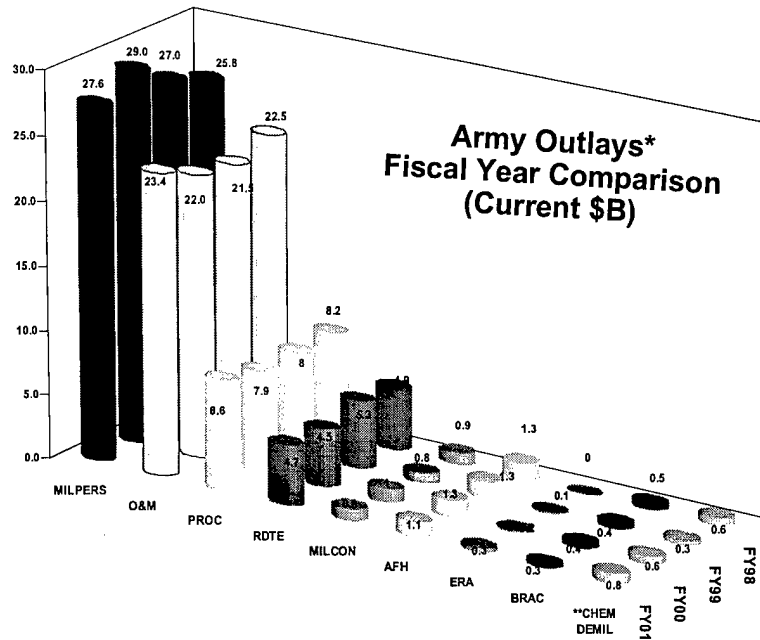


MILCON



AFH



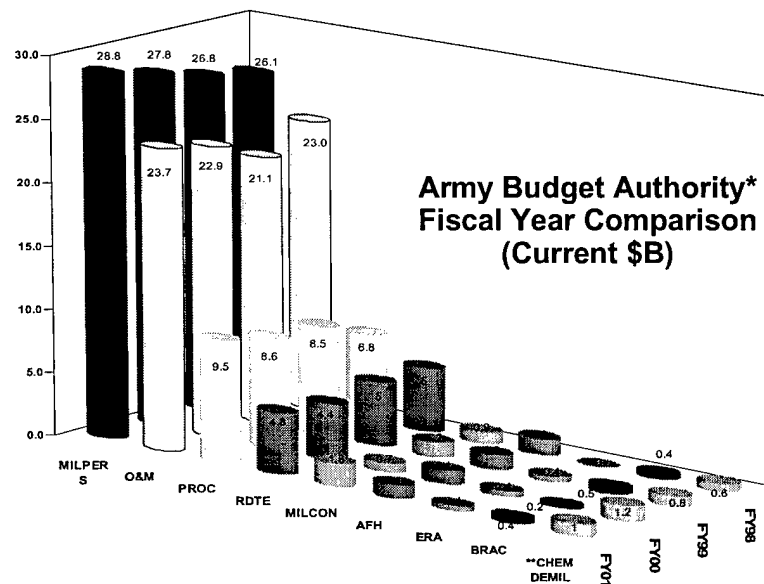


* FY99 includes 1-year funds for MCA, AFHC, and MCNG; excludes O&M Contingency and Y2K funds

** Chemical Demilitarization is an Army appropriation beginning in FY99

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Outlays and Budget Authority



* FY99 includes 1-year funds for MCA, AFHC, and MCNG; excludes O&M Contingency and Y2K funds

** Chemical Demilitarization is an Army appropriation beginning in FY99

FY00 National Defense and Army Outlays as a Percentage of Total Federal Outlays

Total Federal Outlays \$1,766B

**Federal Less
National Defense
\$1,492B
84%**



**Army
\$67B**

**Total
National
Defense
\$274B
16%**

**Other National Defense,
Other Services, and DOD
\$207B**

30

Outlays

Army FY00 Outlay Rates (As Percentage of TOA) by Year

Appropriation Category	FY00	FY01	FY02	FY03	FY04	FY05	TOTAL
Personnel							
Army	99	.6	.2	.1			99.9%
National Guard	92	6.5	.6				99.1%
Army Reserve	91.5	7	1				99.5%
Operation & Maintenance							
Army	72.5	21.3	3.6	1.4	.7	.4	99.9%
National Guard	77.6	19.5	2.2	.3	.2	.1	99.9%
Army Reserve	70.6	24	3.8	1	.4	.1	99.9%
Procurement							
Aircraft	24.6	42	29.4	2	1	.7	99.7%
Missiles	9.5	36.1	38	12.7	2	1	99.3%
WTCV	14.6	44.8	29	8	2	1	99.4%
Ammunition	35	28.5	18.3	9.3	4	2.5	97.6%
Other Procurement	22.6	42.3	26.2	5.7	1.5	1.1	99.4%
RDTE	58	33	5.3	2.1	.8	.5	99.7%
Military Construction							
Army	5.1	38.1	28.1	12.8	8.8	4	96.9%
National Guard	6.2	36.3	22	20.4	11.1	3	99%
Army Reserve	12.6	38	25.5	12.2	8	3.3	99.6%
Family Housing							
Operations	71.5	22	4.7	1	.3	.2	99.7%
Construction	2	41.5	37.1	16	2.4	.9	99.9%
BRAC	17.1	48.9	20.4	5.9	3.9	3.7	99.9%
ERA	22	45	22	6	3	1.9	99.9%
CHEM-DEMIL	30.1	30.6	16.7	10.2	7.5	3.5	98.6%
DWCF, Army	86.3	10.8	1.4	1.1			99.6%

Index**Military Personnel (MILPERS) page 32****Operations & Maintenance (O&M) page 35****Procurement page 45**

ACFT	page 47
MSLS	page 48
WTCV	page 49
AMMO	page 50
OPA	page 51

Research, Development, Test & Evaluation (RDTE) page 53**Military Construction (MILCON) page 56****Army Family Housing (AFH) page 59****Base Realignment & Closure (BRAC) page 60**

The strength of the Army is America's
young men and women...

...THE SOLDIER!



Military Personnel (MILPERS)

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- The budget provides for a steady state force of active and reserve component (AC/RC) forces. The Army will remain well-equipped, trained, and ready in FY 00/01.
- The budget provides funding for pay raises of 4.4% in FY00 and 3.9% for FY01, effective in January of each year. It also provides for an additional targeted increase to base pay of up to 5.5% depending on grade and years of service, effective July 2000.
- The budget includes funds to restructure the "Redux" retirement system implemented in 1986. The proposal would return all retirees to 50% of base pay, with some limits on COLA.
- The active component strength for FY 99 is 480,000 soldiers. This steady state is continued in FY 00/01.
- The Army National Guard and the Army Reserve will be reduced and realigned to meet future force requirements.
 - The Army National Guard end strength will be 350,000 in FY00/01.
 - The Army Reserve end strength will be 205,000 in FY00/01.

America's Soldiers...



**Committed
to the
Nation!**



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MILPERS, Army

Military Personnel, Army (MPA) (\$M)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Pay, Officer	5,772	6,015	6,210	6,404
Pay, Enlisted	12,399	12,597	13,306	13,894
Pay, Cadet	38	41	40	40
Subsistence	1,159	1,209	1,248	1,160
PCS-Travel	1,075	1,091	1,089	1,082
Other MILPERS Costs	<u>207</u>	<u>204</u>	<u>114</u>	<u>122</u>
Total*	20,650	21,157	22,007	22,702

*Totals may not add due to rounding

National Guard Personnel, Army (\$M)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Paid Drill Strength	1,718	1,752	1,774	1,827
School Training	58	163	156	184
Special Training	187	102	90	82
Admin Spt	1,400	1,435	1,494	1,558
Education Benefits	43	42	57	58
Counterdrug Prgm*	110			
Total Direct Program**	3,406	3,494	3,571	3,709
Retired Pay Accrual	(412)	(411)	(424)	(443)
Total (Less Retired Pay Accrual)**	2,994	3,083	3,147	3,266

*Received in year of execution

**May not add due to rounding

MILPERS, NGPA and RPA

34

**The Army Reserve and National Guard are
integral parts of America's Army...
demonstrating their commitment and capabilities
every day at home and abroad!**

Reserve Personnel, Army (\$M)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Paid Drill Strength	1,023	1,042	1,069	1,106
IMA/Mob. Training	19	7	10	20
Admin/Spt (incl AGRs)	752	811	879	908
School Training	67	93	90	106
Special Training	69	102	97	102
Education Benefits	19	21	25	24
Other Training	88	91	101	102
*Total Direct Program	2,037	2,167	2,271	2,368
Retired Pay Accrual	(190)	(195)	(224)	(234)
*Total (Less Retired Pay Accrual)	1,847	1,972	2,047	2,134

*Totals may not add due to rounding

Readiness is our #1 priority. To the commander in the field, readiness is OPTEMPO, OPRED, Base Support, and Quality of Life.

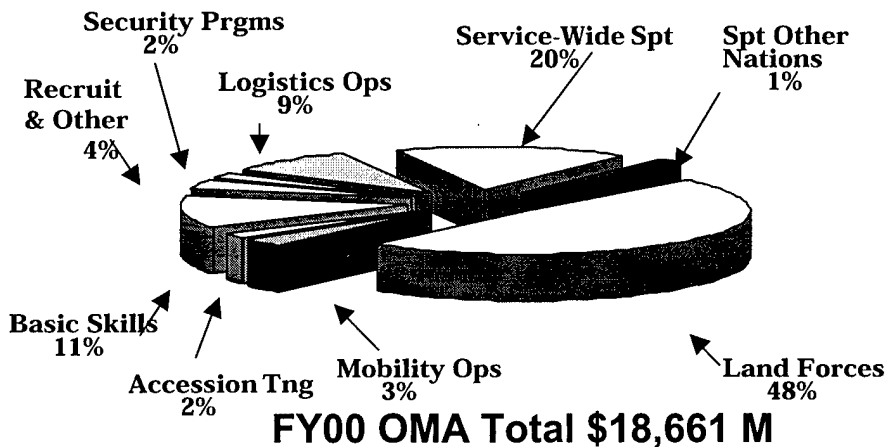


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Operation & Maintenance (O&M)

Budget Display Categories

- **Budget Activity 1--Operating Forces:** Finances the day-to-day operations of the minimum essential force required to execute the Army's National Defense missions as directed by the National Military Strategy and detailed in Defense Guidance and The Army Plan (includes OMAR and OMNG Training).
- **Budget Activity 2--Mobilization:** Supports the National Military Strategy of decreased reliance on forward deployed forces and increased reliance on a visible forward presence. Provides prepositioned supplies and equipment for emergency deployment worldwide. Displays costs for mobilization requirements as opposed to operating forces costs. (This is for OMA only. Eliminated for OMAR and OMNG.)
- **Budget Activity 3--Training & Recruiting:** Provides for institutional training and other selected training and training support activities. Challenging training, based upon realistic scenarios and readiness objectives, prepares Army units for a variety of missions. (This is for OMA only. OMAR and OMNG training is included in BA 1 and Recruiting mission funding is included in BA 4).
- **Budget Activity 4--Administration & Service-Wide Activities:** Provides for administration, logistics, communications and other service-wide support functions to secure, equip, deploy, transport, sustain, and support Army forces worldwide.



The Operation and Maintenance, Army, budget maintains readiness objectives by funding air and ground operating tempo (OPTEMPO), enhances the quality of training at the Combat Training Centers and at home station, and improves the Operational Readiness program (OPRED). OPRED represents the total near term costs of preparing a unit to go to war and includes OPTEMPO, flying hours, training infrastructure and support facilities. The FY00/01 budget supports OPTEMPO at 800 home station training miles per year for major combat systems and 14.5 flying hours per crew per month for the active force. The budget provides full funding for all known statutory and regulatory environmental requirements.

Operation & Maintenance, Army

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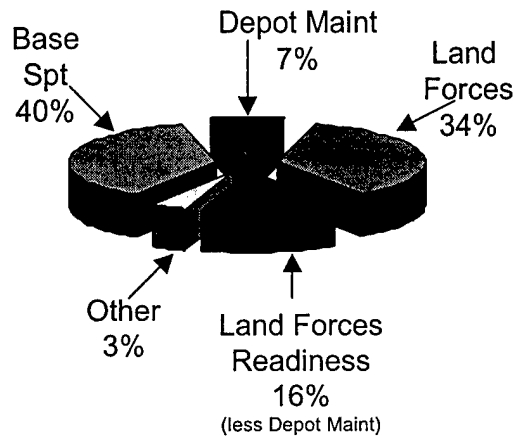
(\$ M)	FY98	FY99	FY00	FY01
BA 1: Operating Forces				
Land Forces	2,442	2,839	3,240	3,323
Land Forces Readiness	2,223	1,971	2,201	2,201
Land Forces Readiness Support	5,262	3,628	3,433	3,947
Subtotal	9,927	8,439	8,874	9,470
BA 2: Mobilization				
Mobility Operations	515	569	560	559
BA 3: Training & Recruiting				
Accession Tng	310	349	329	347
Basic Skill & Advanced Tng	2,180	2,073	2,096	2,237
Recruiting & Other Tng & Ed	765	761	748	750
Subtotal	3,255	3,183	3,172	3,335
BA 4: Admin & Svc-Wide Activities				
Security Programs	372	402	427	439
Log Operations	1,532	1,498	1,648	1,458
Svc-Wide Support	3,389	2,771	3,706	3,662
Spt of Other Nations	284	244	274	276
Subtotal	5,578	4,915	6,055	5,835
*Grand Total	19,275	17,106	18,661	19,199

**Totals may not add due to rounding

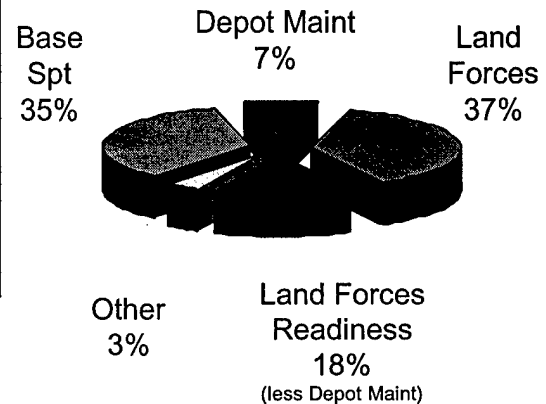
OMA BA1 Operating Forces

(\$M)

FY99 Total \$8,439



FY00 Total \$8,874



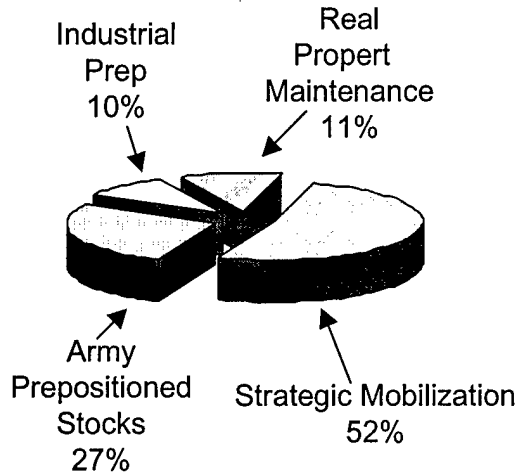
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BA 1

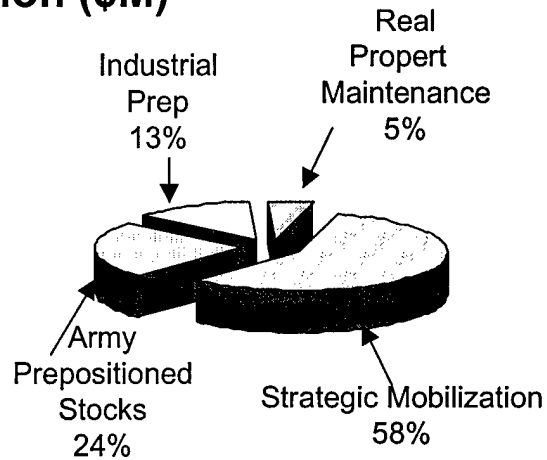
BA1 (\$M)	FY98	FY99	FY00	FY01
Divisions	886	1,050	1,151	1,145
Corps Combat Forces	230	268	342	338
Corps Support Forces	260	325	341	345
Echelon Above Corps Forces	395	432	477	487
Land Forces Opns Support	671	765	929	1,007
Force Readiness Opns Support	1,116	994	1,091	1,081
Land Forces Sys Readiness	377	371	465	488
Land Forces Depot Maintenance	729	606	646	633
Base Support	2,537	2,674	2,659	2,628
Maintenance of Real Property	803	708	491	990
Mgmt & Operational HQs	159	128	127	127
Unified Commands	65	75	78	79
Misc Activities	1,700	43	78	123
Total*	9,927	8,439	8,874	9,470

*Totals may not add due to rounding

OMA BA 2 Mobilization (\$M)



FY99 Total \$569



FY00 Total \$560

BA 2

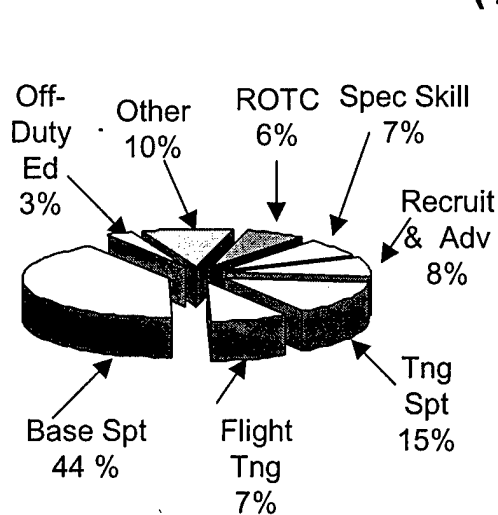
38

BA2 (\$M)	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Strategic Mobilization	312	296	326	333
Army Prepositioned Stocks	148	151	135	138
Industrial Preparedness	55	58	70	67
Maintenance of Real Property	<u>0</u>	<u>64</u>	<u>29</u>	<u>21</u>
Total*	515	569	560	559

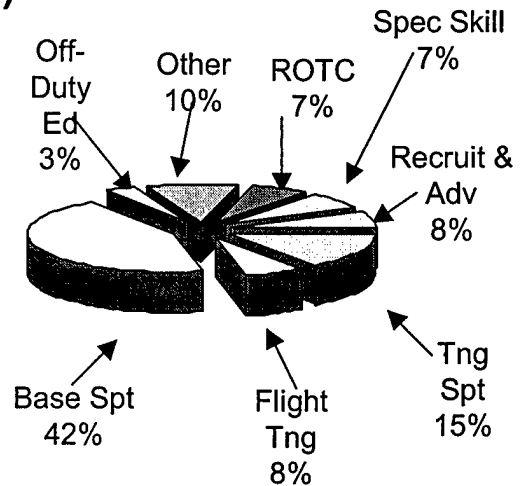
*Totals may not add due to rounding

BA3 Training & Recruiting

(\$M)



FY99 Total \$3,183



FY00 Total \$3,172

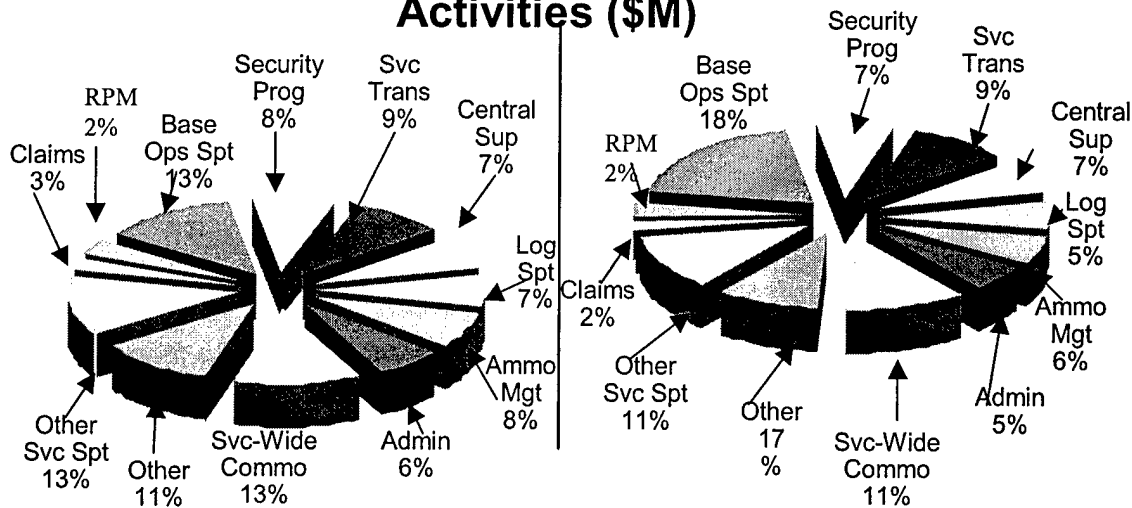
39

BA 3

BA3 (\$M)	FY98	FY99	FY00	FY01
Officer Acquisition	63	64	65	67
Recruit Training	15	20	14	13
One Station Unit Training	13	15	14	15
ROTC	116	131	135	134
Base Opns Spt (Academy Only)	70	77	73	76
Maintenance of Real Property	34	43	27	41
Specialized Skill Training	227	209	230	236
Flight Training	206	216	270	284
Professional Development Ed	78	87	87	95
Training Spt	485	474	467	467
Base Opns Spt (Other Training)	897	823	865	863
Maintenance of Real Property	287	264	176	292
Recruiting & Advertising	253	251	255	261
Examining	70	72	77	79
Off Duty/Voluntary Education	114	109	88	90
Civ Education & Training	75	73	65	67
Junior ROTC	73	73	74	77
Base Opns Spt (Recruit Leases)	180	183	187	176
Total*	3,255	3,183	3,172	3,335

*Totals may not add due to rounding

BA 4 Administration & Service-Wide Activities (\$M)



FY99 Total \$4,915

FY00 Total \$6,055

BA4

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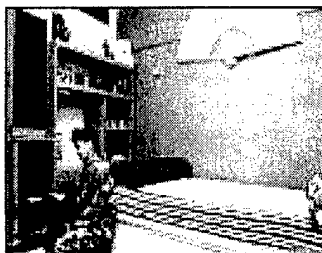
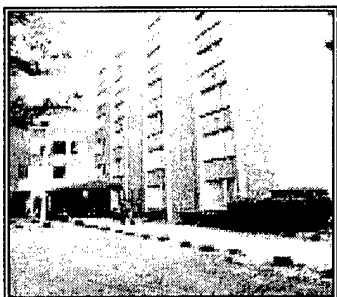
BA 4 (\$M)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Security Programs	372	402	427	439
Service-Wide Transportation	540	439	547	439
Central Supply Activities	356	358	420	369
Logistics Support Activities	331	329	322	330
Ammunition Management	306	372	360	321
Administration	297	310	321	335
Service-Wide Communications	604	621	663	639
Manpower Management	146	147	155	149
Other Personnel Support	180	145	148	150
Other Service Support	1,311	634	674	658
Army Claims Activities	119	127	117	116
Real Estate Management	65	68	71	70
Base Operations Support	584	633	*1106	1,009
Maintenance of Real Property*	83	84	105	192
Commissary Operations	0	0	**346	345
International Military Headquarters	247	206	225	230
Miscellaneous Support of Other Nation	37	38	49	47
Total***	5,578	4,915	6,055	5,835

*Includes transfer of RDTE BASOPS and RPM

**Transfer from OSD for DeCA Operations

***Totals may not add due to rounding



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OMA BASE SUPPORT

OMA Base Support

(\$ M)	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Service Based Costing Categories (SBC)				
Command and Staff	350	268	338	360
Operations	6	83	124	111
Engineering	1,835	1,812	2,140	2,112
Logistics	671	791	679	623
Personnel and Community	540	650	664	640
Resource Management	271	328	454	415
Acquisition	88	98	115	109
Information Technology	507	360	377	382
Total Base Operations Support	4,268	4,390	4,891	4,752
Maintenance & Repair of Real Property	1,115	997	692	1,395
Minor Construction	92	70	38	43
Demolition of Real Property	98	97	98	98
Quality of Life Enhancements(D)**	-	-	626	-
Total Real Property	1,305	1,164	1,454	1,536
Total Base Support*	5,573	5,554	6,345	6,288

*Includes DFAS & Panama Canal Treaty Implementation Resources

**Part of Army TOA in year of execution

First year of new SBC format for OMA Base Support

**FY 99-FY 01 Crosswalk
(New Service Based Costing (SBC) Structure)**

CATEGORIES (\$M)	FY99	FY00	FY01
Command and Staff			
.10 Provost Marshall	77	107	96
.20 Staff Judge Advocate	24	21	20
.30 Chaplain	12	14	13
.40 Public Affairs	14	19	17
.50 Inspector General	3	5	5
.60 Installation Management	137	172	209
Operations			
.70 Operations	83	124	111
Engineering			
Engineer Services (AMSCOs ending in ****79)	456	643	672
Environmental (AMSCOs ending in ****53, ****54 and ****56)	406	455	430
.J Utilities	534	552	576
.90 Unaccompanied Personnel Housing Mgmt	108	105	110
.A0 Real Estate Leases	308	385	324
Logistics			
.B0 Supply Operations and Management	312	242	218
.C0 Material Maintenance	115	97	92
.D0 Transportation Services	191	159	156
.E0 Laundry and Dry Cleaning Support	21	16	14
.F0 The Army Food Service Program	152	165	143

**FY 99-FY 01 Crosswalk
(New Service Based Costing (SBC) Structure)
CONTINUED**

CATEGORIES (\$M)	FY99	FY00	FY01
Personnel and Community			
.K0 Civilian Personnel Management	73	47	42
.L0 Morale, Welfare and Recreation	426	456	445
.M0 Military Personnel Support	116	123	117
.Q0 Reserve Component Support (ARNG use only)	0	0	0
.R0 Unapplied Program Adjustment	0	0	0
.J0 Other Personnel Support	35	38	36
Resource Management			
.U0 Financial Management	315	425	387
.V0 Management Analysis	13	29	28
Acquisitions			
.W0 Contracting Operations	98	115	109
Information Technology			
.X0 Info Technology, Management and Planning	307	335	324
.Y0 Document Management	53	42	58



O&M, Army Reserve/National Guard

44

OMNG (\$M)

	FY98	FY99	FY00	FY01
BA 1: Operating Forces	2,212	2,526	2,732	2,867
BA 4: Admin & Svc-Wide Activities	<u>225</u>	<u>222</u>	<u>171</u>	<u>176</u>
Total*	2,437	2,747	2,904	3,043

OMAR (\$M)

	FY98	FY99	FY00	FY01
BA 1: Operating Forces	1,063	1,061	1,222	1,329
BA 4: Admin & Svc-Wide Activities	<u>148</u>	<u>143</u>	<u>147</u>	<u>152</u>
Total*	1,211	1,203	1,369	1,482

*Totals may not add due to rounding

The Vision of the Future.

**The Army of the 21st Century
based on the operational
concepts identified in Joint
Vision 2010 and Army Vision
2010--with a fully digitized force
capable to pursue that vision!**

***We must continue to invest in technology
today to produce the required capability
tomorrow.***

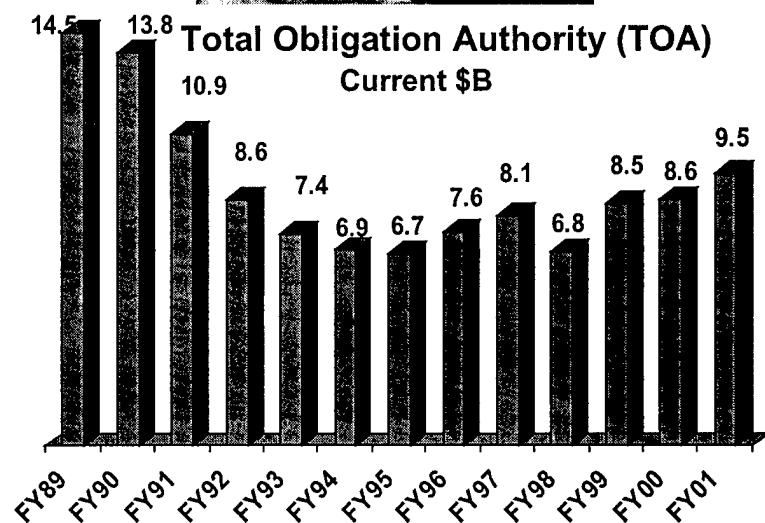
The Army modernization strategy in investment goals is designed to:

- **Focus on Information Dominance - Digitize the Army**
- **Maintain Combat Overmatch**
- **Sustain Essential Research and Development (R&D) and focus Science and Technology (S&T) to Leap-Ahead Technology for the Army After Next**
- **Recapitalize the Force**
- **Integrate the Active Component (AC) and Reserve Component (RC)**

The FY 00/01 budget continues upgrades for the Abrams Tank and Bradley Fighting Vehicle directly supporting battlefield digitization; continues procurement of Brilliant Anti-Armor Submunition (BAT); continues multi-year procurement for Javelin and Longbow Hellfire; and provides funding for MLRS Launchers and Improved Target Acquisition System for TOW. The budget also continues modification from basic Apache helicopters to the Longbow Apache configuration, armed with an improved radar guided Hellfire missile possessing fire-and-forget capability. The budget continues procurement of eight Black Hawk helicopters in FY 00 and critical Combat Service Support programs such as the Family of Medium Tactical Vehicles (FMTV). The budget provides adequate training ammunition, support for smart munitions, eight modern types of war reserve ammunition items and a modest reduction to the ammo demilitarization backlog. Satellite communications systems, including the Defense Satellite Communications System, Super High Frequency (SHF) Tri-Band Advanced Range Terminal, Enhanced Manpack Ultra High Frequency (UHF) Terminal (Spitfire), NAVSTAR Global Positioning System, and other communications systems and command and control programs such as the All Source Analysis System (ASAS), Maneuver Control System, and the Army Global Command and Control System are also funded.

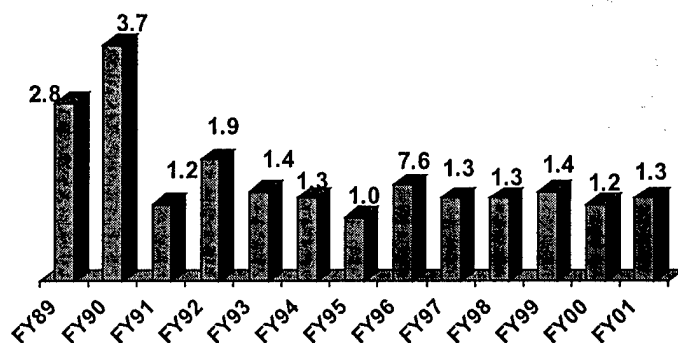
Procurement

46



Appropriation (Current \$M)	FY98	FY99	FY00	FY01
Aircraft	1,285	1,384	1,230	1,312
Missiles	727	1,222	1,358	1,413
Weapons & Tracked Combat Vehicles	1,252	1,544	1,417	1,500
Ammunition	998	1,063	1,141	1,257
Other Procurement	2,528	3,296	3,424	4,050
Total	6,790	8,509	8,570	9,532

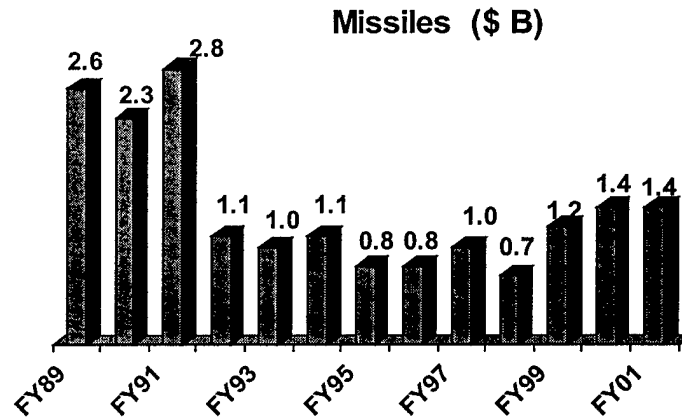
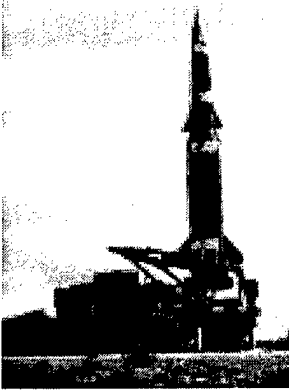
Aircraft (\$ B)



47

Aircraft

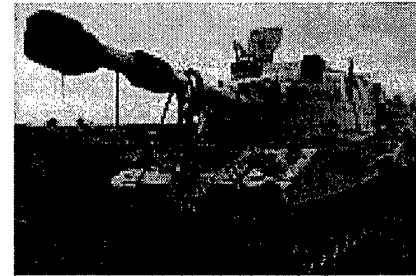
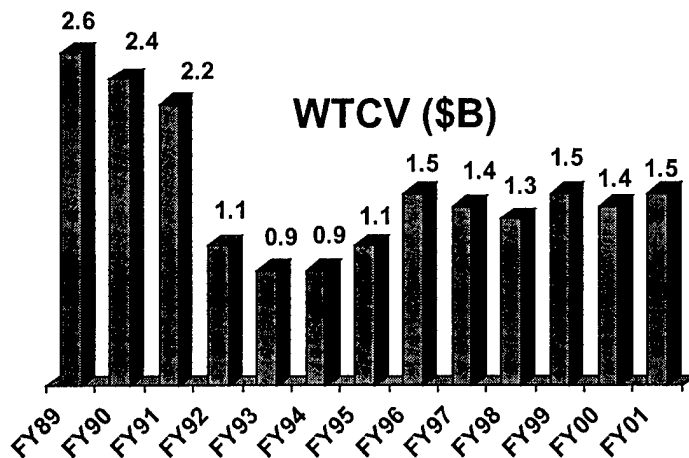
Aircraft	FY98		FY 99		FY 00		FY 01	
	QTY	\$M	QTY	\$M	QTY	\$M	QTY	\$M
ARL		39		13		0		0
C-XX Aircraft	5	22		27		0		0
Guardrail Common Sensor		13		2		0		0
UH-60 Black Hawk	28	280	29	272	8	103	9	105
Modifications								
Guardrail/ARL		14		36		25		13
AH-64		37		57		23		19
CH-47 Cargo Helicopter		60		81		71		35
CH-47 Improved Cargo Helicopter		0		0		0		83
Longbow Apache		497		609		765		736
UH-60		29		22		12		15
Kiowa Warrior		54		52		39		82
EH-60 Quickfix		36		0		5		10
Airborne Avionics		42		56		44		43
Aircraft Survivability Equip		23		3		12		5
Other Mods		13		14		21		21
Spares & Repair Parts		18		36		16		15
Support Equipment & Facilities								
Aircraft Survivability Equip		8		13		0		15
Airborne Cmd & Control		0		0		0		17
Air Traffic Control		8		6		9		38
Common Ground Equipment		22		31		36		49
Airborne Communications		45		42		44		0
Other Support Equipment		25		12		5		11
Total		1,285		1,384		1,230		1,312



Missiles

48

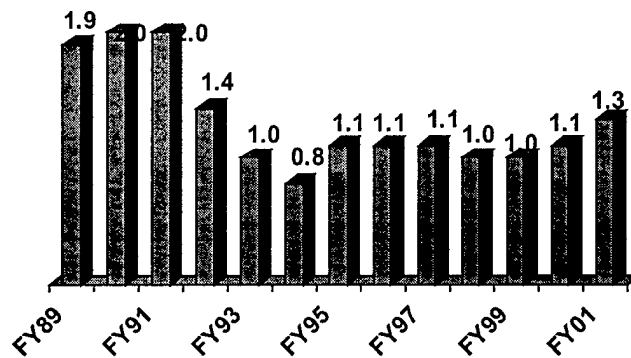
	FY98		FY99		FY00		FY01	
Missiles	QTY	\$M	QTY	\$M	QTY	\$M	QTY	\$M
Avenger		0	20	35	20	34	18	30
Hellfire (Longbow & Laser)	1,100	241	2,000	360	2,200	297	2,200	288
TOW 2		1		0		0		0
MLRS Rockets	624	19		0		3		10
MLRS Launchers	21	124	24	120	47	147	90	222
ATACMS Blk 1A	109	90	96	88	110	96	100	91
ATACMS/BAT		0	30	49	61	77	77	92
BAT		0	420	100	846	149	1,028	136
Javelin	894	138	3,569	339	2,682	406	3,973	372
Modifications								
Patriot		8		14		31		23
Stinger		21		14		17		22
Avenger		7		8		0		7
ITAS/TOW		62		62		68		61
MLRS		1		2		7		17
Spares & Repair Parts		9		24		19		29
Support Equipment & Facilities								
Air Defense Targets		1		3		2		2
Production Base Support		3		3		3		3
Other		2		1		2		8
Total		727		1,222		1,358		1,413



49 Weapons & Tracked Combat Vehicles

	FY98		FY99		FY00		FY01	
	QTY	\$M	QTY	\$M	QTY	\$M	QTY	\$M
Tracked Combat Vehicles								
Abrams	120	606	120	741	120	677	80	592
Bradley	98	225	126	378	104	364	149	430
Breacher(Grizzly) Mod		0		0		20		80
Heavy Assault Bridge(Wolverine)		40		51		82		86
Field Artillery Ammo Spt Vehicle	36	38		0		0		0
Command and Control Vehicle	5	30	10	48	12	57	18	78
Carrier Mods 113		39		54		54		46
FIST Vehicle Mod		15		25		27		31
BFVS Mod		59		75		7		27
Howitzer M109A6 Paladin	36	74		11		6		8
Improved Recovery Vehicle (IRV)		32		51		0		0
Other		11		13		11		11
Weapons & Other Combat Vehicles								
Armored Machine Gun 7.62 M240	1,500	14	1,198	12	1,304	12	1,196	12
Machine Gun, 5.56mm (SAW)	406	3	1,525	4		0		0
M16 Rifle	11,297	5	16,464	7	12,479	6	10,922	5
Grenade Launcher, MK-19-3	400	8	697	15	1,085	19	581	12
Sniper Rifle XM107, Cal .50		0		0	85	1	233	3
Carbine M4, 5.56mm	7,484	4	6,310	4	8,687	5	8,309	5
Modifications of Weapons and Other Combat Vehicles		18		16		32		32
Spares and Repair Parts		16		23		23		29
Support Equipment & Facilities		15		16		14		13
Total		1,252		1,544		1,417		1,500

Ammunition (\$ B)



Ammunition

50

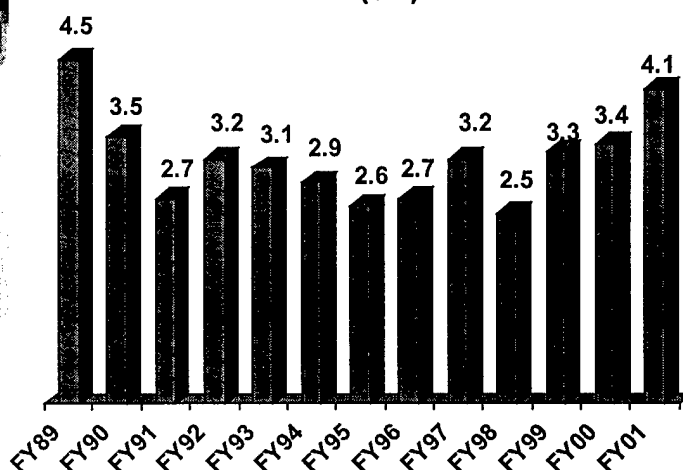
Ammunition (\$M)	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Small Arms	208	256	262	291
Mortars	80	105	116	101
Tank	257	214	119	154
Artillery	125	71	213	225
Artillery Fuzes	19	5	46	67
Mines/Countermine	31	23	18	27
Rockets	44	136	145	152
Other	36	48	35	53
Miscellaneous	23	36	33	34
Production Base Support	<u>175</u>	<u>169</u>	<u>154</u>	<u>153</u>
Total	998	1,063	1,141	1,257

Training/War Reserve Breakout (\$M)

Training	480	693	632	732
War Reserve	327	177	327	345
Non-Hardware	16	24	28	27
Production Base	<u>175</u>	<u>169</u>	<u>154</u>	<u>153</u>
Total	998	1,063	1,141	1,257



Other Procurement Army (OPA) (\$B)



51

Other Procurement, Army (OPA)

	FY98		FY99		FY00		FY01	
Tactical & Support Vehicles	QTY	\$M	QTY	\$M	QTY	\$M	QTY	\$M
Wheeled Vehicles (HMMWV)	1,768	126	671	67	867	92	1,214	120
Family of Med Tactical Veh	1,179	202	1,439	331	2,179	426	2,577	510
Family of Hvy Tactical Veh	286	112	489	189	450	190	404	197
All Other Vehicles & Trailers		43		183		189		240
Communication & Electronic Equip								
Joint Communications		4		8		13		16
Satellite Communications		155		198		187		225
C3 System		15		21		13		9
Combat Communications		455		273		190		199
Intel Communications		2		2		2		2
Information Security		26		44		40		42
Long Haul Communications		27		9		11		12
Base Communications		104		150		193		228
Elect Equip--NFIP		27		22		20		23
Elect Equip--TIARA		143		193		258		260
Elect Equip--Electronic Warfare (EW)		8		12		2		2
Elect Equip--TAC SURV		176		190		251		270
Elect Equip--Tactical C-2		160		236		285		303
Elect Equip--Automation		272		264		237		322
Elect Equip--Audio Visual Sys (A/V)		3		5		3		4
Elect Equip--Support		0		0		0		0

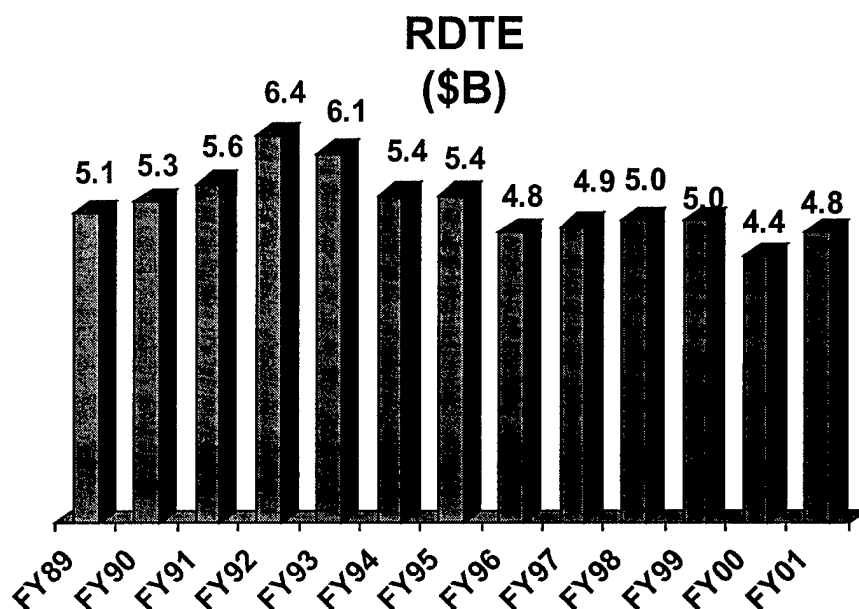
Other Procurement, Army (OPA)

52

CONTINUED OPA

	FY98	FY99	FY00	FY01
Other Support Equipment	\$M	\$M	\$M	\$M
Chemical Defense Equipment	23	30	13	9
Bridging Equipment	4	9	26	35
Engineer Equip (Non-Construct)	15	7	18	27
Combat Service Spt Equipment	19	77	58	63
Petroleum Equipment	8	26	42	40
Water Equipment	3	4	12	37
Medical Equipment	11	26	25	24
Maintenance Equipment	4	16	18	15
Construction Equipment	31	57	76	61
Rail Float Containerization Equip	28	62	47	31
Generators	10	69	79	91
Materiel Handling Equipment	5	46	36	72
Training Equipment	142	213	170	235
Test Meas & Diag Equipment	51	94	83	116
Other Support Equipment	72	84	77	159
Initial Spares				
Tactical Support Vehicles	0	4	0	0
Communications and Electronics	41	73	43	50
Other Support Equipment	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	2,528	3,296	3,424	4,050





53

Research, Development, Test & Evaluation (RDTE)

The Army RDTE Program continues to maintain a stable Science and Technology Program to ensure timely development and transition of technology into weapon systems and system upgrades and to explore alternative concepts in future global, capabilities-based warfighting. The FY00-FY01 budget includes funding for continued development of the Comanche and Crusader, and testing of two prototypes, Brilliant Anti-Armor Submunitions and ATACMS Block IIA. The FY00-FY01 budget also provides for the continued support of Digitization, to include command and control digital networks and integration and development efforts that include the communications backbone and weapons platforms such as the Abrams, Bradley, and M1 Breacher programs. Funding also includes All Source Analysis System (ASAS) software development, Night Vision Systems and Force XXI Initiatives, and Warfighting Rapid Acquisition Program (WRAP) as a vehicle to jump-start proven technology. There are no new major initiatives.

Budget Activities (Current \$M)

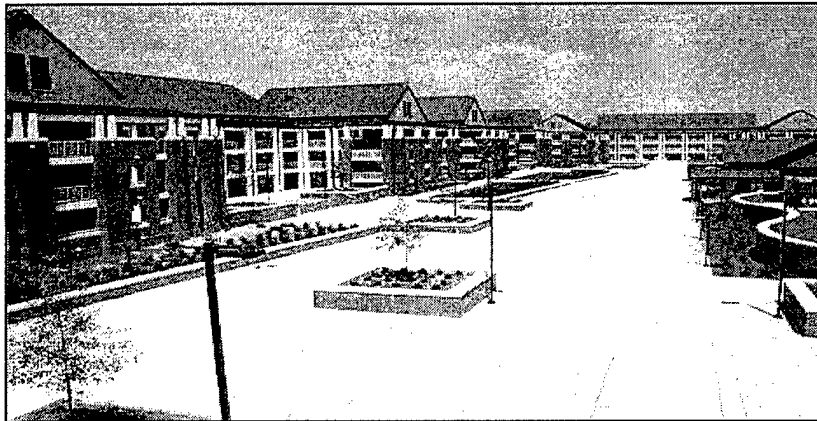
	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Basic Research	177	184	187	191
Applied Research	663	628	555	563
Advanced Technology Dev	678	653	525	494
Dem/Val	537	497	406	281
Eng & Manufacturing Dev	1,130	1,267	1,496	1,894
RDTE Management Support	1,216	1,137	665	740
Operational Systems Dev	<u>622</u>	<u>666</u>	<u>592</u>	<u>587</u>
Total	5,023	5,032	4,426	4,750

Research, Development, Test & Evaluation 54 **(RDTE)**

Technology Base (Current \$M)		<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
BA 1	Basic Research	177	184	187	191
BA 2	Applied Research	663	628	555	563
	Subtotal	840	812	742	754
BA 3	Advanced Tech Development				
	Warfighter Advanced Technology	33	30	31	16
	Medical	202	229	10	12
	Aviation	86	45	34	38
	Weapons & Munitions	24	25	40	39
	Cbt Veh & Auto	39	61	91	97
	Command, Control & Communication	25	24	21	21
	Missile & Rocket Adv Technology	91	71	44	24
	Landmine Warfare & Barrier	30	24	47	45
	Night Vision	18	27	37	37
	Military HIV Research	17	6	6	6
	Air Defense/Precision Strike	12	10	25	21
	Adv Tactical Computer Sci & Sensor Tech	18	18	23	19
	Other	<u>83</u>	<u>83</u>	<u>116</u>	<u>119</u>
	Subtotal	678	653	525	494
BA 4	Demonstration & Validation				
	Landmine Warfare & Barrier	15	7	4	20
	Army Missile Defense System Integration	72	39	12	12
	Artillery System Dem/Val	301	313	283	120
	Soldier Support & Survivability	6	7	13	14
	Aviation - Adv Dev	15	11	6	6
	CSSCS Eval and Analysis	7	14	11	9
	Medical Systems-Adv Dev	9	11	13	12
	Armament Enhancement	36	36	37	42
	Logistics & Engineering	6	19	6	6
	Scamp Blk II	1	8	11	20
	Other	<u>69</u>	<u>32</u>	<u>10</u>	<u>20</u>
	Subtotal	537	497	406	281
BA 5	Engineering & Manufacturing Dev				
	Comanche	263	365	427	566
	Electronic Warfare Development	84	86	79	81
	Night Vision	33	21	31	31
	Non-System Tng Devices-Eng Dev	76	64	71	52
	BAT/ATACMS	225	128	128	112
	Combat ID	19	13	9	2
	Engineer Mobility Equipment Developmen	52	70	58	38
	Joint Tactical Radio	0	0	37	68
	ASAS	25	34	50	46
	TENCAP	17	44	71	57
	CATT	15	7	20	19

Research, Development, Test & Evaluation (RDTE)

(Current \$M)		FY98	FY99	FY00	FY01
BA 5	Engineering & Manufacturing Development (continued from page 54)				
	Combat Clothing/Equipment(Land Warrior)	58	68	111	137
	Weapons/Munitions	18	35	55	55
	Army Tactical C2	21	32	35	34
	Firefinder	2	21	32	37
	Artillery Systems (Crusader)	0	1	66	328
	Other	<u>222</u>	<u>278</u>	<u>216</u>	<u>231</u>
	Subtotal	1,130	1,267	1,496	1,894
BA 6	RDTE Management Spt				
	Major Test & Evaluation	40	37	39	40
	Army Test Ranges/Facilities	115	118	137	134
	Army Kw ajalein Atoll	117	133	140	141
	Support of Operation Testing	75	65	69	69
	Programwide Activities	79	64	64	73
	Army Test Tech & Sust Instr	30	44	30	33
	Surviv/Lethal	30	34	30	33
	Base Supt (transferred to OMA in FY00)	456	463	0	0
	Concept Experimentation	0	14	17	73
	Army Evaluation Center	0	25	24	26
	Other	<u>274</u>	<u>140</u>	<u>115</u>	<u>118</u>
	Subtotal	1,216	1,137	665	740
BA 7	Operational Systems Development				
	Cbt Vehicles Improvement Prgm	151	104	29	24
	Horizontal Battlefield Digitization/FBCB2	91	98	72	56
	Missile/Air Defense PIP	29	15	30	29
	MLRS PIP	33	25	36	58
	SATCOM Ground Environment	46	52	36	48
	JLENS	30	14	25	25
	AFATDS	36	35	36	34
	Maneuver Control	24	29	45	26
	Aircraft Mods/PIPs	22	27	52	61
	WRAP	14	27	56	66
	JTAGS	5	12	28	6
	MANTECH (Incl. COSSI)	60	52	66	66
	Other	<u>121</u>	<u>176</u>	<u>81</u>	<u>88</u>
	Subtotal	662	666	592	587
	TOTAL	5,023	5,032	4,426	4,751

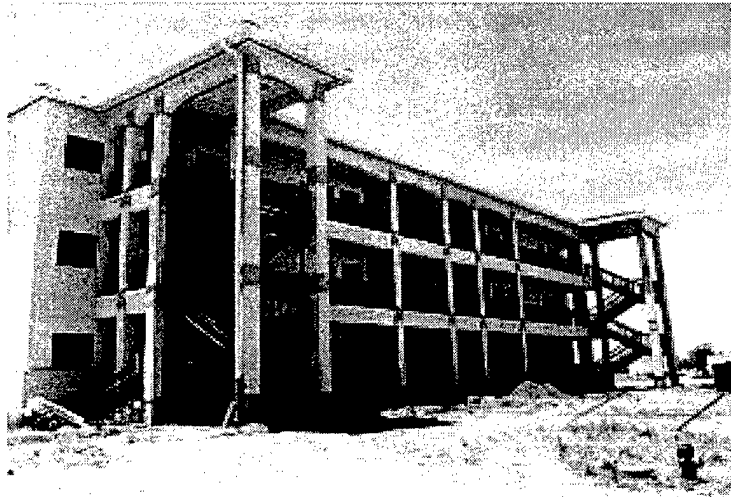


The Active Army Military Construction budget continues to focus on facilities that upgrade the quality of life of soldiers and the capabilities of Army installations as power projection platforms. New facilities include modern barracks, strategic mobility infrastructure, and facilities to support mission and training requirements. In order to provide funds to address shortfalls in readiness funding, only the amount of funding for the construction program in FY00 that will be required to cover the expected percent of project completion during FY00 is being requested. Advance appropriation for FY01 is being requested for the balance of funding to complete the projects. Effective in FY00, funding for facilities to support the Chemical Demilitarization program has been transferred from Defense to the Active Army construction budget.

Military Construction, Army (MILCON)

56

By Facility Categories (\$M)	FY98	FY99	FY00	Total Auth Program FY00
Operation & Training	68	191	86	262
Maintenance & Production	24	36	1	9
Research & Development	38	30	0	0
Supply & Administration	68	12	5	15
Troop Housing/Community Support	408	553	137	590
Utilities/Real Estate	25	96	68	131
Chemical Demilitarization	10	0	267	267
General Reduction	-8	-8	0	0
Minor Construction	7	13	10	10
Planning & Design	66	64	82	82
Total	706	987	656	1366
Region/Program				
United States	485	711	515	1152
Korea	76	165	7	38
SW Asia	37	0	0	0
Kwajalein Atoll	0	13	35	35
Europe	43	29	7	49
General Reduction	-8	-8	0	0
Minor Construction	7	13	10	10
Planning & Design	66	64	82	82
Total	706	987	656	1366



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MILCON, Army Reserve

The Army Reserve budget provides essential military construction resources to address its highest priorities -- the critical needs of Force Support package units; the worst cases of facility deterioration; modernization of the total facilities inventory; and careful management of Army Reserve-operated installations. The program essence is straightforward: provide essential facilities to improve readiness and quality of life; preserve and enhance the Army's image across America; and conserve and protect the facilities' resources for which the Army Reserve is responsible.

In order to provide funds to address shortfalls in readiness funding, only the amount of funding for the construction program in FY00 that will be required to cover the expected percent of project completion during FY00 is being requested. Advance appropriation for FY01 is being requested for the balance of funding to complete the projects.

Army Reserve Military Construction (by Facility Categories \$M)				Total Auth Program FY00
	FY98	FY99	FY00	
Operation and Training	68	95	12	62
Maintenance	0	0	1	9
Minor Construction	0	0	1	1
Planning & Design	<u>6</u>	<u>7</u>	<u>9</u>	<u>9</u>
Total	74	102	23	81



MILCON, Army National Guard

58

The Army National Guard military construction budget continues the goal of providing state-of-the-art, community-based installations and training sites that facilitate communications, operations, training, and equipment sustainment from which to station, sustain, and deploy the force. The program focuses on six investment areas: ranges, training facilities, maintenance support shops, readiness centers, minor construction, and planning and design. These projects are mission-focused and are centered on the quality of life of our soldiers.

In order to provide funds to address shortfalls in readiness funding, only the amount of funding for the construction program in FY00 that will be required to cover the expected percent of project completion during FY00 is being requested. Advance appropriation for FY01 is being requested for the balance of funding to complete the projects.

Army National Guard Military Construction (by Facility Categories \$M)

	FY98	FY99	FY00	Total Auth Program FY00
Operation and Training	84	75	4	18
Maintenance & Production	21	47	7	34
Administrative	0	6	0	0
Infrastructure	0	3	0	0
Minor Construction	11	5	1	1
Planning & Design	<u>6</u>	<u>9</u>	<u>4</u>	<u>4</u>
Total	122	145	16	57

Army Family Housing (\$M)

	Total Auth Program			
	FY98	FY99	FY00	FY00
New/Replace Construction	101	80	5	24
Improvement	86	53	5	33
Planning & Design	9	6	4	4
Foreign Currency	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal AFH Construction	197	139	14	61
Operation & Utilities	421	428	407	
Maintenance	475	466	469	
Leasing	208	202	222	
Foreign Currency	-17	0	0	
Subtotal AFH Operations	<u>1087</u>	<u>1096</u>	<u>1098</u>	
Total AFH*	1284	1235	1112	

*Totals may not add due to rounding

59

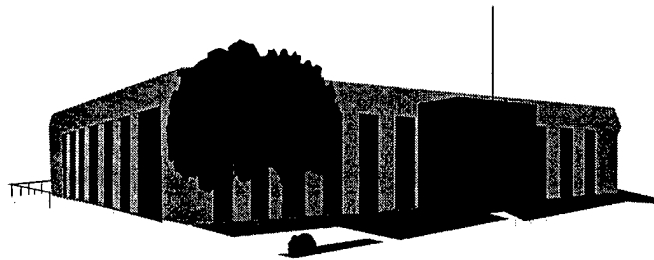
Army Family Housing (AFH)

The Fiscal Year 2000 Army Family Housing budget supports quality of life by providing for the operation and maintenance of military family housing units worldwide. The budget also provides for the upgrade of Army housing by a combination of privatization in the U.S. and construction projects overseas. Construction projects are funded incrementally, with Fiscal Year 2000 appropriations to initiate work in the first year, and advance appropriations requested in Fiscal Year 2001 to complete construction.

Army Family Housing New Construction

	<u>Units</u>	<u>(\$M)</u>
FY98		
Picatinny Arsenal, NJ	35	7.3
Fort Huachuca, AZ	55	8.0
Schofield Barracks, HI	132	26.3
Fort Meade, MD	56	7.9
Fort Bragg, NC	174	19.9
Fort Bliss, TX	91	12.6
Fort Hood, TX	<u>130</u>	<u>18.6</u>
Total	673	100.6
FY99		
Redstone Arsenal, AL	118	14.0
Schofield Barracks, HI	64	13.1
Fort Bragg, NC	170	18.8
Fort Hood, TX	154	21.6
Fort Lee, VA	<u>80</u>	<u>13.0</u>
Total	506	80.5
FY00		
Camp Humphreys, KR	60	4.4
FY00 Total Auth Program		
Camp Humphreys, KR	60	24.0

Base Realignment & Closure (BRAC)



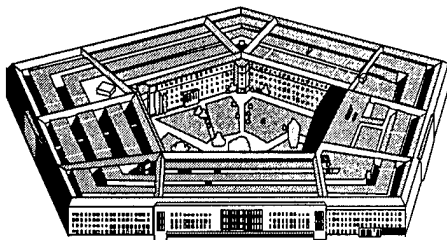
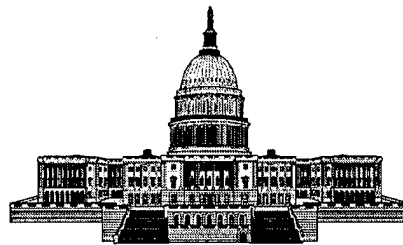
BASE CLOSED

Closing military facilities permits us to invest in the forces and bases we keep to ensure their readiness and effectiveness. Closed installations are returned to the public or private sector where they contribute to the nation in new ways.

BRAC

60

Congress enacted the Defense Base Realignment and Closure Act (BRAC) of 1990 (Public Law 101-510), as amended, in order to reduce the number of military installations in the United States.



Closing and realigning Army installations has been a major part of the past decade's reshaping effort. The Army is entering the final third of a 13-year effort that spans four closure rounds. As a result of this effort, the Army in FY97 began saving more than it is spending on BRAC.

Pages 61-64 provide summaries of each BRAC round. Page 65 summarizes the four rounds. Page 66 provides an overview of overseas Army closure actions.

BRAC 88 FINANCIAL SUMMARY (\$000)							
Costs and Savings							
	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95	TOTAL
Military Construction	121,657	141,035	182,658	122,254	12,830	-	580,434
Family Housing Construction	-		-	-	-	-	-
Family Housing Operations	-	51	490	-	-	-	541
Environment	-	159,313	188,564	105,522	-	92,325	545,724
Operations and Maintenance	40,556	86,104	37,252	34,983	-	-	198,895
Military Personnel	-	-	-	-	-	-	-
Other	8,925	15,428	3,331	12,786	-	-	40,470
Total One Time Costs	171,138	401,931	412,295	275,545	12,830	92,325	1,366,064
Revenue (Land Sales)	(4,337)	(4,159)	(40,597)	(14,680)	-	(3,940)	(67,713)
Budget Request	166,801	397,772	371,698	260,865	12,830	88,385	1,298,351
Funding from Outside Acct	16,741	94	1,947	1,507	22,734	-	43,023
Savings	(10,218)	(34,777)	(56,301)	(119,787)	(240,317)	(259,611)	(721,011)
Net Implementation Costs	173,324	363,089	317,344	142,585	(204,753)	(171,226)	620,363

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BRAC 88

77 INSTALLATION CLOSURES		
53 Housing Sites	Fort Douglas, UT	Navajo Depot, AZ
Alabama AAP, AL	Fort Sheridan, IL	New Orleans MOT, LA
AMTL, MA	Fort Wingate, NM	Nike Aberdeen, MD
Bennett ANG, CO	Hamilton AAF, CA	Nike Kansas City 30, MO
Cameron Station, VA	Indiana AAP, IN	Presidio San Francisco, CA
Cape St. George, FL	Jefferson Proving Grd, IN	Pontiac Storage, MI
Cosa River Storage, AL	Kapalama, HI	Tacony Warehouse, PA
DMA Herndon, VA	Lexington Depot, KY	USARC Gaithersburg, MD
Fort Des Moines, IA		
6 INSTALLATION REALIGNMENTS		
Fort Devens, MA	Fort Holabird, MD	Pueblo Depot, CO
Fort Dix, NJ	Fort Meade, MD	Umatilla Depot, OR

BRAC 91 FINANCIAL SUMMARY (\$000)							
Costs and Savings							
	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	TOTAL
Military Construction	23,600	139,946	262,851	97,717	29,358	-	553,472
Family Housing Construction	-	-	-	-	-	-	-
Family Housing Operations	-	934	335	-	88	-	1,357
Environment	35,650	53,099	68,677	53,700	236,115	3,598	450,839
Operations and Maintenance	13,050	147,286	56,631	23,889	54,327	3,408	298,591
Military Personnel	-	-	-	-	-	-	-
Other	-	17,556	3,030	2,894	43,009	10,655	77,144
Total One Time Costs	72,300	358,821	391,524	178,200	362,897	17,661	1,381,403
Revenue (Land Sales)	-	-	(57)	(162)	(4,824)	(17,428)	(22,471)
Budget Request	72,300	358,821	391,467	178,038	358,073	233	1,358,932
Funding from Outside Acct	56,469	11,905	21,167	2,878	11,309	3,028	106,756
Savings	(55,068)	(105,463)	(198,934)	(241,312)	(276,599)	(303,825)	(1,181,201)
Net Implementation Costs	73,701	265,263	213,700	(60,396)	92,783	(300,564)	284,487

BRAC 91

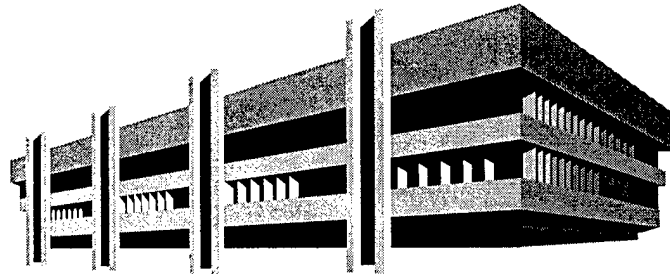
62

5 INSTALLATION CLOSURES		
Fort Benjamin Harrison, IN	Fort Ord, CA	Sacramento Army Depot, CA
Fort Devens, MA	HDL, Woodbridge, VA	
7 INSTALLATION REALIGNMENTS		
Army Resch Inst, Alex, VA	Fort Dix, NJ	Letterkenny Depot, PA
AVSCOM/TROSCOM, MO	Fort Polk, LA	TRI-Service Project, Reliance, MD
Fort Chaffee, AR		

BRAC 93 FINANCIAL SUMMARY (\$000)							
Costs and Savings							
	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99	TOTAL
Military Construction	12,300	64,010	12,863	-	3,650	-	92,823
Family Housing Construction	-	-	-	-	-	-	-
Family Housing Operations	-	-	-	-	-	-	-
Environment	9,807	14,978	20,927	11,891	14,421	5,819	77,843
Operations and Maintenance	11,884	44,427	28,600	15,056	693	-	100,660
Military Personnel	-	-	-	-	-	-	-
Other	2,416	6,308	5,895	-	-	-	14,619
Total One Time Costs	36,407	129,723	68,285	26,947	18,764	5,819	285,945
Revenue (Land Sales)	-	(715)	-	-	(46)	-	(761)
Budget Request	36,407	129,008	68,285	26,947	18,718	5,819	285,184
Funding from Outside Acct	11,073	3,182	3,060	5,878	2,658	229	26,080
Savings	(10,896)	1,596	(20,320)	(48,529)	(61,016)	(67,727)	(206,892)
Net Implementation Costs	36,584	133,786	51,025	(15,704)	(39,640)	(61,679)	104,372

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BRAC 93



1 INSTALLATION CLOSURE		
Vint Hill Farms Station, VA		
5 INSTALLATION REALIGNMENTS		
Fort Belvoir, VA	Presidio Monterey, CA	Tooele Army Depot, UT
Fort Monmouth, NJ	Red River Army Depot, TX	

BRAC 95 FINANCIAL SUMMARY (\$000)							
Costs and Savings							
	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	TOTAL
Military Construction	84,455	255,418	101,355	33,611	25,900	-	500,739
Family Housing Construction	-	496	-	1,700	-	-	2,196
Family Housing Operations	-	7	-	757	-	-	764
Environment	48,071	56,582	184,343	229,745	85,027	364,152	967,920
Operations and Maintenance	92,186	120,414	118,076	209,110	43,009	44,230	627,025
Military Personnel	-	-	-	-	-	-	-
Other	5,924	6,077	8,503	6,114	1,538	211	28,367
Total One Time Costs	230,636	438,994	412,277	481,037	155,474	408,593	2,127,011
Homeowners Asst Program					5,405	4,064	9,469
Revenue (Land Sales)	-	(16,000)	(13,073)	(7,700)	-	-	(36,773)
Budget Request	230,636	422,994	399,204	473,337	160,879	412,657	2,099,707
Funding from Outside Acct	17,413	16,343	21,397	2,690	2,163	2,092	62,098
Savings	(19,910)	(28,527)	(141,858)	(207,812)	(289,524)	(321,639)	(1,009,270)
Net Implementation Costs	228,139	410,810	278,743	268,215	(126,482)	93,110	1,152,535

BRAC 95

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29 INSTALLATION CLOSURES		
ATCOM St Louis, MO	Fitzsimons AMC, CO	Info Sys Software Cmd, VA
Baltimore Pubs Center, MD	Fort Chaffee, AR	Lompoc USDB, CA
Bayonne MOT, NY	Fort Holabird, MD	Oakland Army Base, CA
Bellmore Logistics Act, NY	Fort Indiantown GAP, PA	Rec Ctr#2, NC
Big Coppet Key, FL	Fort McClellan, AL	Rio Vista, USAREC, CA
Camp Bonneville, WA	Fort Missoula, MT	Savanna Army Depot, IL
Camp Kilmer, NJ	Fort Pickett, VA	Seneca Army Depot, NY
Camp Pedericktown, NJ	Fort Richie, MD	Stratford Engine Plant, CT
Concepts Analysis Agy, MD	Fort Totten, NY	Sudbury Annex, MA
East Fort Baker, CA	Higham Cohasset, MA	
12 INSTALLATION REALIGNMENTS		
Detroit Arsenal, MI	Fort Hunter-Liggett, CA	Letterkenny Army Depot, PA
Fort Buchanan, PR	Fort Meade, MD	Red River Army Depot, TX
Fort Dix, NJ	Kelly Support Center, PA	Sierra Army Depot, CA
Fort Greely, AK	Kenner Hosp, Ft Lee, VA	Tri-SVC Proj Reliance.MD

ARMY BASE REALIGNMENT AND CLOSURE					
CONSOLIDATED FINANCIAL SUMMARY (\$000)					
Costs and Savings					
	BRAC 88	BRAC 91	BRAC 93	BRAC 95	TOTAL
Military Construction	578,181	553,472	92,823	500,739	1,725,215
Family Housing Construction	-	-	-	2,196	2,196
Family Housing Operations	541	1,357	-	764	2,662
Environment	555,951	450,839	77,843	967,920	2,052,553
Operations and Maintenance	190,962	298,591	100,660	627,025	1,217,238
Military Personnel	-	-	-	-	-
Other	40,429	77,144	14,619	28,367	160,559
Total One Time Costs	1,366,064	1,381,403	285,945	2,127,011	5,160,423
Home Owners Assistance Program				9,469	9,469
Revenue (Land Sales)	(67,713)	(22,471)	(761)	(36,773)	(127,718)
Appropriation Request	1,298,351	1,358,932	285,184	2,099,707	5,042,174
Funding from Outside Account	43,023	106,756	26,080	62,098	237,957
Savings	(721,011)	(1,181,201)	(206,892)	(1,009,270)	(3,118,374)

65

Army BRAC Summary

- The Army is now saving more money than it's spending on BRAC.
- Closing and realigning bases saves money that otherwise goes to unneeded overhead.
- These savings permit the Army to invest in remaining forces and infrastructure.
- We are dedicated to helping local communities realize rapid re-use of closed bases.

HIGHLIGHTS

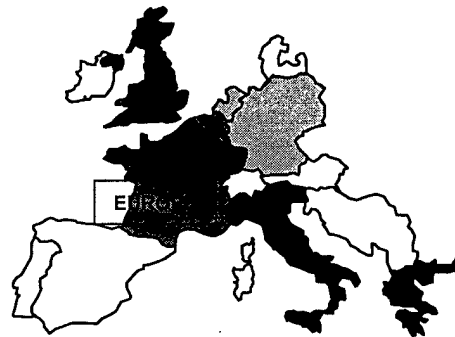
- Since 1989 the Army has executed an aggressive overseas closure program.
- Announced closure of 664 overseas installations.
- Majority are in Europe.
- European closures equivalent to:
 - 188 million square feet of facilities.
 - Comparable to closing 12 of our largest installations combined!

OVERSEAS BRAC

66

Overseas Base Closures:

BELGIUM	3
FRANCE	21
GERMANY	573
GREECE	4
ITALY	4
NETHERLANDS	6
UNITED KINGDOM	5
TURKEY	6
KOREA	29
PANAMA	<u>13</u>
TOTAL	664



Index**Government Performance & Results Act page 68****OCIE page 71****War Reserve page 72****Energy Consumption page 73****Defense/Army Working Capital Fund page 74****Other page 75****Acronyms & Definitions page 77**



Government Performance and Results Act

The 1997 Report of the Quadrennial Defense Review (QDR) satisfies the requirement for a Strategic Plan for the Department of Defense (DoD), as specified by the Government Performance and Results Act (GPRA) of 1993. DoD has designated the QDR as its fundamental and comprehensive examination of America's defense needs from 1997 to 2015, to include potential threats, strategy, force structure, readiness posture, military modernization programs, defense infrastructure and other elements of the defense program. Beginning with Defense Planning Guidance for FY 1999-2003, DoD incorporated its mission statement and general goals reflecting the QDR into the Department's long-standing Planning, Programming, and Budgeting System (PPBS). For FY 2000, DoD has restructured its Corporate Goals, reducing them from six to two. DoD forwarded its second GPRA Performance Plan in the DoD Annual Report to the President and the Congress for FY 2000. These actions continue the GPRA-required cycle of planning and assessment of performance on general goals reflecting the Department's strategic plan.

The Department of the Army, in keeping with DoD guidance, continues to review its strategic plans and mission objectives to ensure that they link to the DoD Corporate Goals, as implemented through the PPBS. The review centers largely on The Army Plan, a biennial component of the PPBS. The Army Plan provides guidance in three areas. Section I addresses strategic planning to achieve and maintain a Total Army postured to support the nation's military strategy. Section II focuses on planning that deals with the near- and mid-term capabilities required to support the strategic planning guidance. Section III lays out programming guidance for the Program Objective Memorandum.

The following two pages provide an overview of how the FY 2000 Army Budget supports each of the DoD corporate goals and their associated performance goals.



How the FY 2000 Army Budget Supports the DoD Corporate Goals

Bulleted items refer to pages in this book where the
supporting budget information appears

69

DoD Corporate Goal 1 Shape and Respond

Shape the international environment and respond to the full spectrum of crises by providing appropriately sized, positioned, and mobile forces.

Performance Goal 1.1 - Support U.S. regional security alliances through military-to-military contacts and the routine presence of ready forces overseas, maintained at force levels determined by the QDR.

- | | |
|---|----|
| • Combat Force Structure | 7 |
| • Operations and Maintenance-Support to Other Nations | 36 |
| • Military Construction | 56 |
| • Power Projection Logistics | 72 |

Performance Goal 1.2 - Maintain ready forces and ensure they have the training necessary to provide the U.S. with the ability to shape the international environment and respond to the full range of crises.

- | | |
|--|-------|
| • Summary of Combat Force Structure Changes | 10 |
| • Combat Force Structure -- Power Projection | 8-9 |
| • Reserve Components | 14-18 |
| • Operations and Maintenance | 35-40 |



DoD Corporate Goal 2

Prepare

Prepare now for an uncertain future by pursuing a focused modernization effort that maintains U.S. qualitative superiority in key warfighting capabilities. Transform the force by exploiting the Revolution in Military Affairs and reengineer the Department to achieve a 21st Century infrastructure.

Performance Goal 2.1 - Recruit, retain, and develop personnel to maintain a highly skilled and motivated force capable of meeting tomorrow's challenges.

- Training and Recruiting 12, 14-17, 36, 39
- Percent High School Diploma Graduate 12

Performance Goal 2.2 - Transform U.S. military forces for the future.

- Procurement 45-52
- Research, Development, Test, and Evaluation 53-55

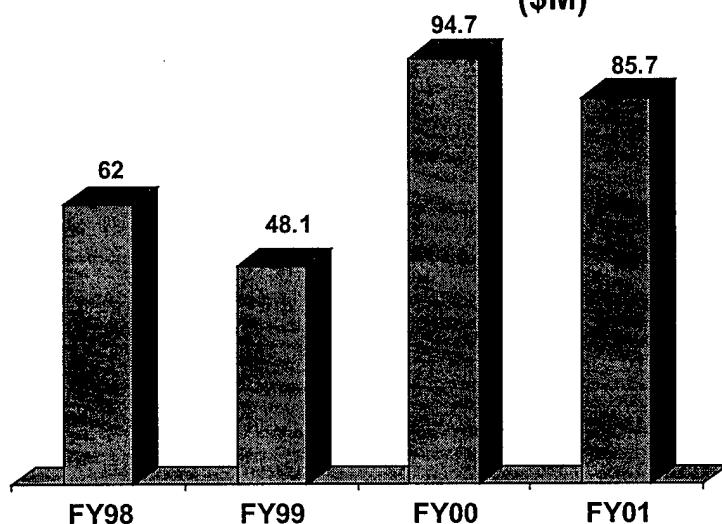
Performance Goal 2.3 - Streamline the DoD infrastructure by redesigning the Department's support structure and pursuing business practice reforms.

- Base Realignment and Closure 60-66
- Defense Working Capital Fund, Army 74
- Depot Maintenance 76

Performance Goal 2.4 - Meet combat forces' needs smarter and faster, with products and services that work better and cost less, by improving the efficiency of DoD's acquisition processes.

- Procurement 45-52
- Research, Development, Test, and Evaluation 53-55

Organizational Clothing & Individual Equipment (OCIE) (\$M)



71

OCIE

The Army's Goal is to never send soldiers into harm's way without proper equipment by:

- Recognizing the Soldier as a Battle System Platform
- Providing more effective and efficient fielding of modernized soldier equipment
- Sustaining the equipment needs of the Modernized Soldier

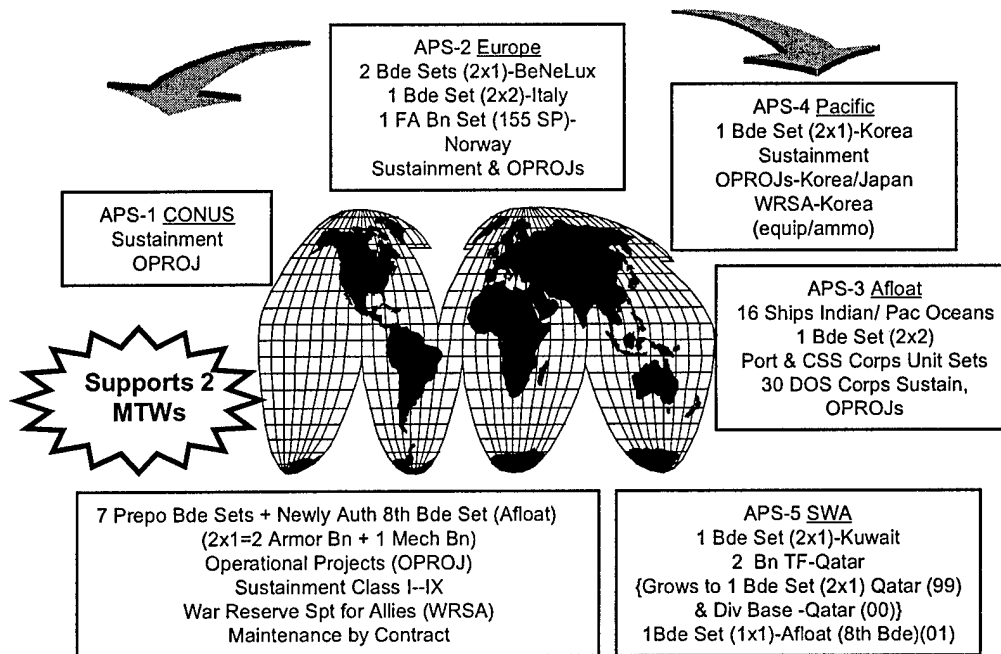
The Army placed increased emphasis on modernizing our soldiers with the introduction of Tactical "Bullet Stopping" Body Armor and improved Load Carriage Systems beginning in FY99 which will continue through FY08.

Additional items programmed for procurement in FY 00/01 include:

- Self-Contained Toxic Environment Protective Outfit
- Improved Toxicological Agent Protective Outfit
- Concealable Body Armor
- Advanced Bomb Suit
- Military Eye Protection
- Cold Weather Fuel Handlers' Glove



Army Pre-positioned Stocks (APS) Power Projection Logistics



War Reserve

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Funding Army War Reserve Secondary Item (WRSI) requirements must happen to make strategic stockpiles a reality...not just a concept

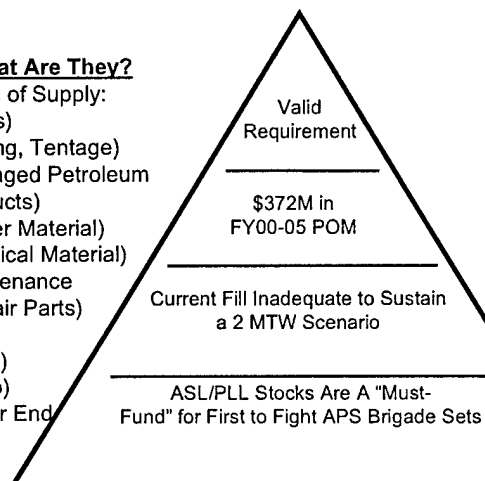
→ WRSI: What Are They?

→ All Classes of Supply:

- I (Rations)
- II (Clothing, Tentage)
- III (Packaged Petroleum Products)
- IV (Barrier Material)
- VIII (Medical Material)
- IX (Maintenance Repair Parts)

Less:

- IIIB (Fuel)
- V (Ammo)
- VII (Major End Items)



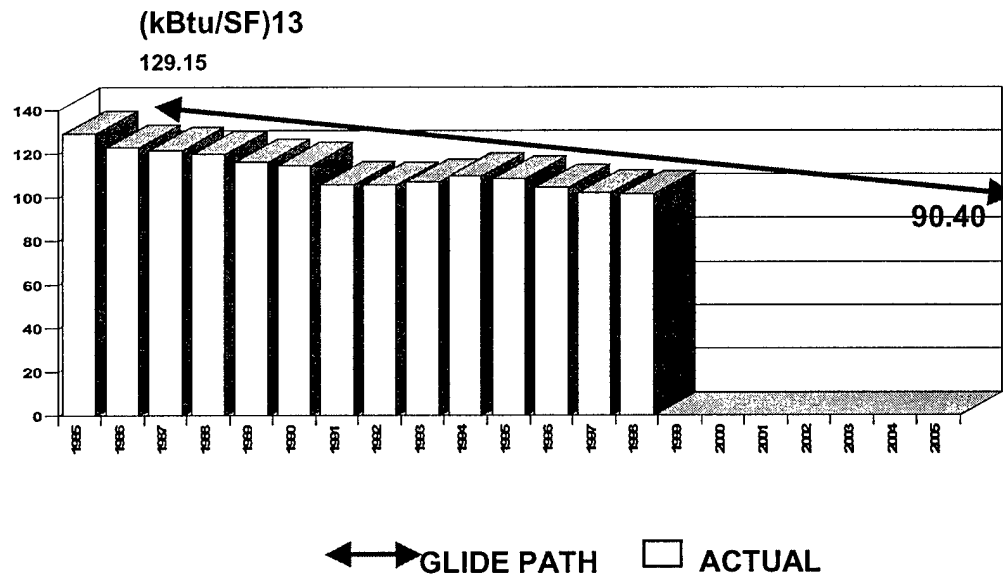
→ Successful Funding and Fill of WRSI is Key to All Three Army War Reserve (AWR) Areas:

- AWR - Sustainment
- Operational Projects
- ASL/PLLs - APS Brigade Sets

- Requirements Computed Through Army War Reserve Automated Process (AWRAP)
- Current Deficit = \$1.4B

- \$62M in FY 00 and
- \$63M in FY 01 (Direct Appropriation) for War Reserve Stocks in the Army Working Capital Fund

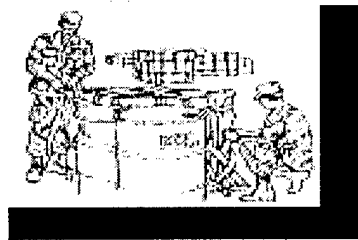
ARMY FACILITY ENERGY CONSUMPTION FY 1985 - 2005



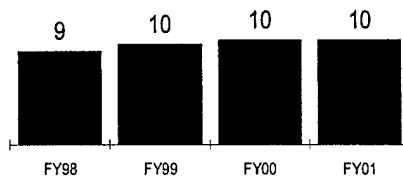
Source: Army Energy Office

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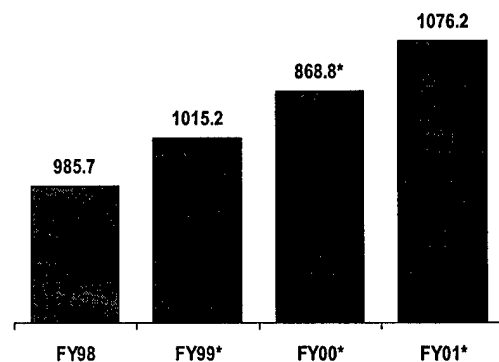
Energy Consumption



Army POL Consumption (Millions of Barrels)



Army Total Energy Costs (\$M)**



*This is an estimate. Increase in energy costs is based on expected price increases.

**Total energy costs include Facility, Industrial and Mobility fuels

DOD Defense Working Capital Fund Activities

Supply Management *
 Depot Maintenance*
 Ordnance*
 Information Services*
 Commissary Operations
 Printing & Publications
 Transportation
 Financial Operations
 Distribution Depots
 Research & Development (Navy)
 Industrial Plant Equipment Services
 Defense Reutilization & Marketing Service

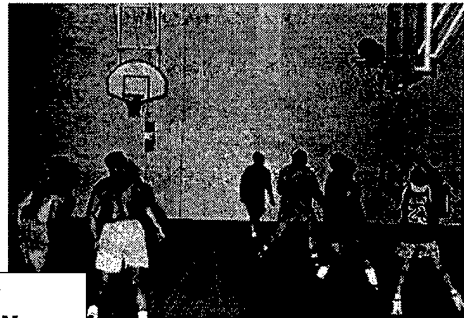
*Army Activity Groups

Defense Working Capital Fund, Army	74
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Overview of Defense Working Capital Fund, Army Activity Groups* FY00\$M				
ACTIVITY GROUP	COSTS	REVENUES	CIV ES	MIL ES
Supply Management**	8,888	8,857	2,970	16
Depot Maintenance	1,232	1,283	10,409	21
Ordnance	672	677	6,158	26
Information Services	111	123	605	18
<p>* Previously called Army DBOF Businesses</p> <p>**NOTE: The DWCF,A will execute \$62M of direct appropriation for additional War Reserve Stocks in FY00 and \$63M in FY01. The DCWF,A will use these stocks in Authorized Stockage Lists (ASL) and Prescribed Stockage Lists (PLL) for prepositioned equipment sets.</p>				

Army Community/Soldier Support

OMA(\$M)	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Community/Soldier Support Base	180	223	236
e.g., Libraries, Rec Ctrs, Sports Programs			



• LIBRARY
• GYMNASIUM
• CHILD CARE CENTER
• FAMILY CENTER

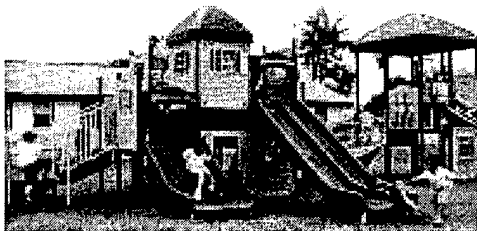
75

OTHER

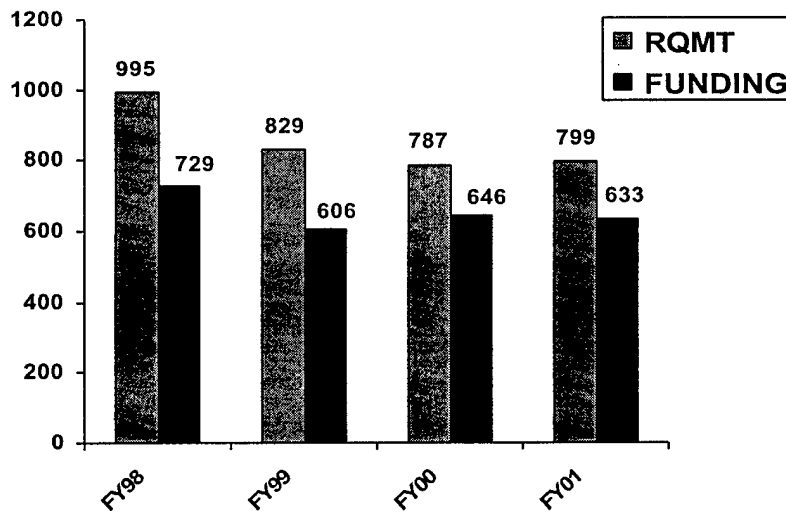
OMA(\$M)	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Army Community Services	41	44	48
e.g., Info&Referral/Fam Mbr Employment, Exceptional Fam Mbr, Consumer Affairs/ Financial Planning, Relocation Assistance			
Child Development Services	105	120	133
e.g., Family & Ctr Based Care, Supplemental Options			
Youth Services	24	39	40
e.g., Youth Dev, Youth Physical Fitness & Sports, School Age Services			
OMATotal	350	426	457

MCA

Phys Fit Trng Centers, Rec Ctr, Libraries and Education Centers	14	31	41
Number of Projects	2	5	3
Child Development Centers (\$M)	0	16	0
Number of Projects	0	3	0
MCA Total (\$M)	14	47	41
Total Number of Projects	2	8	3



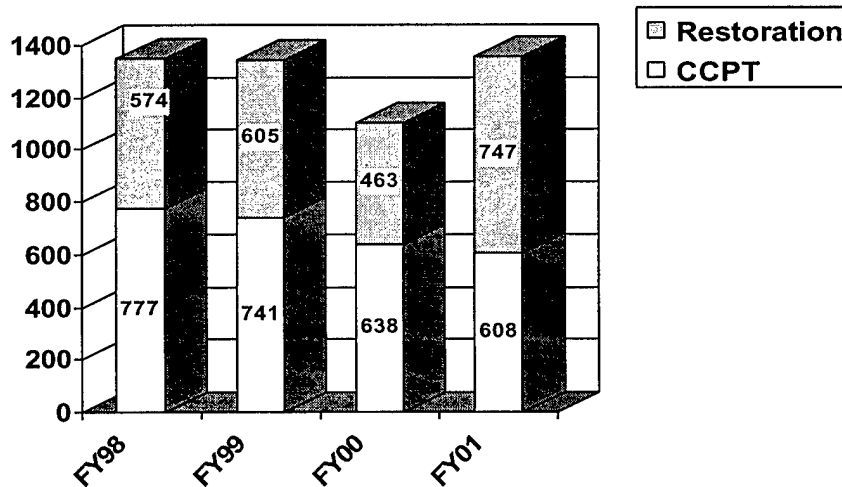
Depot Maintenance (\$M) OMA Only



OTHER

76

Environmental Funding (\$M) All Appropriations



□ Environmental Restoration, Army (ERA) and Base Realignment and Closure Act Excludes Formerly Used Defense Sites

□ CCPT = Compliance/Conservation/Prevention/Technology Programs

ACRONYMS & DEFINITIONS

Acronyms and terms used throughout this booklet are defined below:

AA/Aaslt	Air Assault
AAF	Army Airfield
AAP	Army Ammunition Plant
ABN	Airborne
AC	Active Component
Acct	Account
Acq	Acquisition
ACFT	Aircraft Procurement, Army
ACR	Armored Cavalry Regiment
AD	Armored Division
Admin	Administration
ADPE	Advanced Data Processing Equipment
Adv	Advanced; also, Advertising
AFB	Air Force Base
AFH	Army Family Housing
AFHC	Army Family Housing Construction
AFHO	Army Family Housing Operations

AH-64	Apache Attack Helicopter
AGR	Active Guard and Reserve
AFATDS	Advanced Field Artillery Tactical Data System
AMC	Army Materiel Command; also Army Medical Center
AMMO	Ammunition Procurement, Army; also, Ammunition
AMT	Amount
ANG/ARNG	Army National Guard
ANZUS	Australia, New Zealand, United States
APPN	Appropriation
ARL	Airborne Reconnaissance Low
Armor/Arm	Armored
ASAS	All Source Analysis System
ASL	Authorized Stockage List
ATACMS	Army Tactical Missile System
Aug	Augmentee
AUTH	Authorization
Auto	Automatic
AV	Audio/Visual
AWCF	Army Working Capital Fund
AWR	Army War Reserve
AWRAP	Army War Reserves Automated Programs
BA	Budget Authority: The authority provided by law to enter into obligations which will result in immediate or future outlays of funds; also, Budget Activity

BASOPS	Base Operations
BAT	Brilliant Anti-Armor Submunition
BDE	Brigade
BFVS	Bradley Fighting Vehicle System
BMAR	Backlog of Maintenance and Repair
BN	Battalion
BRAC	Base Realignment and Closure
C+__	__days after the start of an operation
C-XX	Medium-Range Fixed Wing Aircraft
C2	Command and Control
C3	Command, Control and Communications
CATT	Combined Arms Tactical Trainer
CAV	Cavalry
CBT	Combat
CH-47	Chinook Cargo Helicopter
Chem-Demil	Chemical Demilitarization
CIV	Civilian
Cloth	Clothing
Cmd	Command
CMS	Contingency Mutual Support
Commo	Communications
Conc	Concepts
Constant Dollars	A dollar value adjusted for changes in prices, stated in terms of a base year.

Acronyms

78

Constr	Construction
CONUS	Continental United States
CONUSA	Continental U.S. Army
COSCOM	Corps Support Command
COSSI	Commercial Operations and Support Savings Initiative
CS	Combat Support
CSS	Combat Service Support
CSSCS	Combat Service Support Control System
CTC	Combat Training Center
Ctr	Center
Ctrl	Control
Current Dollars	The dollar value of a good or service in terms of prices current at the time the good or service is sold.
DA	Department of the Army
DEF	Defense
Dem, Demo	Demonstration
DEM/VAL	Demonstration & Validation
Dev	Development
Diag	Diagnostic
Dist	Distribution
DIV	Division
DLRs	Depot Level Reparables
DM	Deutsche Mark--German unit of currency

DoD/DOD	Department of Defense
DODD	Department of Defense Directive
DOS	Days of Supply
DRMS	Defense Reutilization and Marketing Service
DWCF	Defense Working Capital Fund
Ed	Education
EH-60	Quickfix - Signal Intercept and Emitter Location System
Elect	Electronic(s)
Eng	Engineering
ENL	Enlisted
Envir	Environmental
ERA	Environmental Restoration Army
Equip	Equipment
ES	End Strength
Eval	Evaluation
EW	Electronic Warfare
Expend	Expenditure(s)
FA	Facilitative Assistance; also, Field Artillery
FAASV	Field Artillery Ammunition Support Vehicle
FAASV PIP	Field Artillery Ammunition Support Vehicle, Product Improvement Program
Fam	Family
FANS	Friendly Allied Nations Support
Fin	Financial
Fit	Fitness
FMTV	Family of Medium Tactical Vehicles

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Acronyms

FHTV	Family of Heavy Tactical Vehicles
FP	Force Package
FT	Fort; also Full Time
FY	Fiscal Year--a yearly accounting period that is not related to the calendar year. For example, the U.S. Government FY 1998 accounting period extends from 1 October 1997 to 30 September 1998.
GPRA	Government Performance and Results Act
GS	General Schedule
GVPBAR	Ground Vehicle Propulsion Basic and Applied Research, Warren, Michigan
HDL	Harry Diamond Laboratories
HIV	Human Immunodeficiency Virus
HMMWV	High Mobility Multipurpose Wheeled Vehicle
HQDA	Headquarters, Department of the Army
HQ	Headquarters
IAW	In Accordance With
ID	Infantry Division; also, Identification
ID(L)	Infantry Division(Light)
ID(M)	Mechanized
IMA	Individual Mobilization Augmentee

Implement	Implementation
Improv	Improvement
Incl	Includes, Including
ING	Inactive National Guard Inst Institute
Intel	Intelligence
IRR	Individual Ready Reserve
JAVELIN	AAWS-M, Anti-Armor Weapon System--Medium
JCS	Joint Chiefs of Staff
JLENS	Joint Land Attack Cruise Missile Defense JRTC Joint Readiness Training Center, Ft. Polk, LA
JTAGS	Joint Tactical Ground Station
KBtu	Thousands of British Thermal Units
LCR	Light Cavalry Regiment
LOG	Logistics
LOGCAP	Logistics Civil Augmentation Program
LT	Light
M&R	Maintenance and Repair
MAINT	Maintenance
MANTECH	Manufacturing Technology
Mbr	Member
MCA	Military Construction, Army
MCAR	Military Construction, Army Reserve
MCNG	Military Construction, Army National Guard

Acronyms

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Meas	Measurement
Mech	Mechanized
Med	Medical, Medicine
MGMT	Management
MIL	Military
MILCON	Military Construction
MILPERS	Military Personnel
MIL TECH	Military Technician
Misc	Miscellaneous
MITA	Military Implementing Technical Agreement
MLRS	Multiple Launch Rocket System
MM	Millimeter
MOB	Mobilization
MODs	Modifications
MOT	Military Ocean Terminal
MPA	Military Personnel, Army
MR	Missile Range
MSE	Mobile Subscriber Equipment
MSL	Missile
MSLS	Missile Procurement, Army
MTW	Major Theater War
MYP	Multiyear Procurement
NASA	National Aeronautics and Space Administration
NATO	North Atlantic Treaty Organization

NBC	Nuclear, Biological and Chemical
NBPRP	National Board for the Promotion of Rifle Practice
NFIP	National Foreign Intelligence Program
NG	National Guard
NGPA	National Guard Personnel, Army
NIMA	National Imagery and Mapping Agency
NTC	National Training Center, Ft. Irwin, CA
NTV	Non-Tactical Vehicle
Obligations	Amounts or orders placed, contracts awarded, services rendered, or other commitments registered in official accounting records during a given period.
OCAR	Office of the Chief, Army Reserve
OCE	Organization Clothing and Equipment
OCIE	Organizational Clothing and Individual Equipment
OCONUS	Outside Continental United States (includes Alaska and Hawaii)
ODCSLOG	Office of the Deputy Chief of Staff, Army, for Logistics
ODS	Operation DESERT STORM
OMA	Operations and Maintenance, Army
OMAR	Operations and Maintenance, Army Reserve
OMNG	Operations and Maintenance, Army National Guard
OPA	Other Procurement, Army
OPROJS	Operational Projects
Ops	Operations
OPTEMPO	Operating Tempo
OSD	Office of the Secretary of Defense
OTSG	Office of The Surgeon General

Outlays net	Checks issued, interest accrued on the public debt, and other payments, of refunds and reimbursements.
O&M	Operations and Maintenance
PBD	Program Budget Decision
PCS	Permanent Change of Station
PERS	Personnel
Phys	Physical
PIP	Product Improvement Program
PL	Public Law
PLL	Prescribed Load List
Plng	Planning
PLS	Palletized Load System
POL	Petroleum, Oil and Lubricants
POMCUS	Prepositioning of Materiel Configured to Unit Sets
Prep	Preparedness
Prgm	Program
Proc	Procurement
Pubs	Publications
Pwr Proj	Power Projection

PY	Prior Year--the fiscal year preceding the year in which the budget is currently being executed; the last completed fiscal year.
QTY	Quantity
RC	Reserve Component (USAR & ARNG)
RCAS	Reserve Component Automation System
RDA	Research, Development, and Acquisition (includes Procurement and
RDTE	Research, Development, Test and Evaluation
Read. Enh.	Readiness Enhancement
Recon	Reconnaissance
Regt	Regiment
Reqt	Requirement
Res	Reserve; also, Research
RIO Pact	Inter-American Treaty of Reciprocal Defense
RO/RU	Roundout/Roundup
ROTC	Reserve Officers Training Corps
RPA	Reserve Personnel, Army
RPM	Real Property Maintenance
RPMA	Real Property Maintenance Activities
SADARM	Sense and Destroy Armor
SATCOM	Satellite Communications
SAW	Squad Automatic Weapon
SCAMP	Single Channel Anti-Jam Man Portable Terminal
SEP BDES	Separate Brigades
SF	Square Foot or Special Forces

Acronyms

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SOCOM	Special Operations Command
Spec	Specialized
SPT/SUP	Support
Sup	Supply
Surv	Surveillance; also, Survivability, Survival
Svc	Service
Sys	System
TAP	The Army Plan
Tact	Tactical
TBtu	Trillions of British Thermal Units
Tech	Technology, Technological
TENCAP	Tactical Exploitation of National Capabilities
TIARA	Tactical Intelligence and Related Activities
TNG	Training
TOA	Total Obligational Authority--the sum of all direct budget authority granted (or requested) from the Congress in a given year, amounts authorized to be credited to a specific fund, and unobligated balances of budget authority from previous years which remain available for obligation.
TOW	Tube-Launched, Optically-Sighted, Wire-Guided
Trans	Transport, Transportation
UH-60	Blackhawk helicopter
U.K.	United Kingdom

USAR	U.S. Army Reserve
USARC	U.S. Army Reserve Command; also U.S. Army Reserve Center USAREC
	U.S. Army Recruiting Command
USAREUR	U.S. Army Europe
USARPAC	U.S. Army Pacific
USDB	U.S. Disciplinary Barracks
USPACOM	United States Pacific Command
Veh	Vehicle
WG	Wage Grade
WHNS	Wartime Host Nation Support
WON	Won--South Korean unit of currency
WRAP	Warfighter Rapid Acquisition Program
WRSA	War Reserve Support for Allies
WRSI	War Reserve Secondary Items
WTCV	Weapons and Tracked Combat Vehicles
YEN	Yen--Japanese unit of currency
\$B	Billions of Dollars
\$M	Millions of Dollars

Acronyms

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